

NEVADA STATE BOARD OF COSMETOLOGY
CLARK COUNTY, NEVADA

OPEN AND CLOSED MEETING OF THE)
NEVADA STATE BOARD OF COSMETOLOGY,)

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JUNE 19, 2006.)

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

Taken on Monday, June 19, 2006

At 9:08 a.m.

At 1785 East Sahara Avenue, Suite 255

Las Vegas, Nevada

REPORTED BY: JUNE W. SEID, CCR NO. 485

disapproves, and then they are actual regulations?

MS. COOPER: Correct. And I will contact.

MS. SCHULTZ: So next year sometime.

CHAIRWOMAN LEWIS: Next year sometime after
we have new laws we are going to have more hearings. Close hearing.

I will now call the meeting of the
cosmetology board to order. And just -- we will
approve the agenda and note, Madam Executive Director,
that it has been posted appropriately.

MS. COOPER: Yes, it has.

CHAIRWOMAN LEWIS: You are attesting to the
fact that the notice of this meeting has been properly
posted at the places identified.

MS. COOPER: Yes, I am.

CHAIRWOMAN LEWIS: Okay. We will have a roll
call again for the purposes of the board meeting. Just
state your name and that you're here, please.

MR. KELLY: Thomas Kelly, board member,
present.

MR. WALTHERS: Larry Walthers, board member,
present.

MS. SCHULTZ: Bonnie Schultz, board member,
present.

CHAIRWOMAN LEWIS: Lavonne Lewis, board
chair, present.

1 MS. ZESIGER: Linda Zesiger, present.

2 MS. ALFA: Mireille Alfa, board member,
3 present.

4 MR. LEEDER: Alex Leeder, board member,
5 present.

6 CHAIRWOMAN LEWIS: Thank you.

7 You have the agenda. May I have a motion to
8 approve the agenda with modifications as needed?

9 MR. WALTHERS: I make a motion that we
10 approve the agenda with any modification that the
11 president may need.

12 MS. SCHULTZ: I'll second it.

13 CHAIRWOMAN LEWIS: The motion has been made
14 and seconded that we approve the agenda with
15 modifications as needed. Are there any questions?

16 MR. REED: Yes. Let me ask a question on
17 that.

18 With modifications to the agenda, what does
19 that mean? That you would make modifications at this
20 time or --

21 MS. SCHULTZ: To move people around.

22 CHAIRWOMAN LEWIS: We may move things around,
23 the order of the agenda, yes.

24 MR. REED: Okay, that's no problem.

25 CHAIRWOMAN LEWIS: If we get ahead, we will

1 move up the time or something, not necessarily the
2 hearing.

3 All in favor of the motion -- I'm sorry, is
4 there a question on the motion?

5 All in favor of the motion, please say aye.

6 (Ayes voiced.)

7 CHAIRWOMAN LEWIS: Opposed?

8 The motion carries.

9 We have the minutes from the meeting of April
10 24, 2006. Are there any corrections to those minutes?

11 MR. LEEDER: Yes.

12 CHAIRWOMAN LEWIS: Do you want to state what
13 the corrections are and the page that we can find those
14 corrections, please?

15 MR. LEEDER: Page 30, line 12, is was this
16 part of your application, not our application.

17 CHAIRWOMAN LEWIS: I guess I should have said
18 substantive changes.

19 MR. LEEDER: Page 90, line 14, should be
20 "policy," not "police."

21 CHAIRWOMAN LEWIS: Any other changes?

22 MR. LEEDER: The closed session attendance
23 page 122, lines 5, 12, 13, 14, 15, 16 and 17 were
24 all -- should be deleted. And line 11 appears later.

25 MS. ZESIGER: So 13, 14, 15, 16 and 17 are

1 out?

2 CHAIRWOMAN LEWIS: Yeah, yeah.

3 MR. LEEDER: And line 11 arrived later. They
4 arrived later. That's it for me.

5 CHAIRWOMAN LEWIS: Anybody else?

6 MS. SCHULTZ: I think Alex got them.

7 CHAIRWOMAN LEWIS: May I then have a motion
8 to approve the minutes as corrected?

9 MS. SCHULTZ: I'll make a motion to approve
10 the minutes with corrections.

11 MS. ZESIGER: I'll second.

12 CHAIRWOMAN LEWIS: A motion has been made and
13 seconded to approve the minutes with corrections. All
14 in favor, please say aye.

15 (Ayes voiced.)

16 CHAIRWOMAN LEWIS: Opposed?
17 The minutes have been approved as corrected.
18 Treasury report? I think we have new ones?

19 MS. COOPER: We do. We got our months ended
20 April and our months ended May, and I didn't know if
21 you wanted to pass them out now or if you just wanted
22 to get them in the August board meeting.

23 MS. SCHULTZ: Let's get them in August. That
24 way we get a chance to look them over.

25 MS. COOPER: Yeah. That was my...

1 CHAIRWOMAN LEWIS: So do you have any
2 comments on the treasurer's report?

3 MR. LEEDER: I had a couple of questions,
4 Madam chairman, if I might.

5 CHAIRWOMAN LEWIS: Okay.

6 MR. LEEDER: I felt that under your contract
7 services, is that -- are we talking about the draft for
8 5/23/06?

9 CHAIRWOMAN LEWIS: No. We were talking about
10 the blue book. The blue book is the treasurer's
11 report.

12 MR. LEEDER: Yeah, I did have a couple of
13 questions on this. It's on page 4, your line item --
14 unemployment reimbursement.

15 What is that?

16 MS. COOPER: That was when we had
17 unemployment -- we terminated staff this last year and
18 this is unemployment that we did not know was going to
19 happen. We received in January a notice that we had to
20 pay again, so we went ahead and paid it obviously, but
21 that was after it was approved.

22 MR. LEEDER: So are you budgeting for
23 something like that in the future?

24 MS. COOPER: In the future? We did not
25 budget for that.

1 CHAIRWOMAN LEWIS: We don't pay into the
2 system.

3 MS. COOPER: We don't pay into the system on
4 a quarterly basis like regular businesses do. We --
5 but if we have a claim, we have to pay.

6 CHAIRWOMAN LEWIS: Is that -- let me just ask
7 a question about that process.

8 Is it cheaper to pay and become insured under
9 the system?

10 MS. SCHULTZ: No, because you have to pay a
11 percentage.

12 MS. COOPER: Right, you would have to be
13 paying a percentage every month, you would pay the
14 percentage. And at the end of the year you may or
15 might not have a claim, so you're paying all that money
16 in and you may or may not have a claim.

17 MS. SCHULTZ: And so you're still losing it.

18 MS. COOPER: Right, use it or lose it.

19 MR. LEEDER: Under your mileage and your air
20 fare, both of those are over budget. So when I looked
21 at your proposed budget for 6-7, fiscal year 6-7, I
22 kind of still feel like you're a little low.

23 CHAIRWOMAN LEWIS: That was the reason we
24 might want to see those expense statements, because
25 there are several areas we have concern.

1 MS. SCHULTZ: If you want to look at them --

2 CHAIRWOMAN LEWIS: That's all right. We
3 don't have to, because all we are going to do with this
4 is refer to audit anyway. We don't actually approve
5 the treasurer's report.

6 MR. LEEDER: So those are my questions.

7 CHAIRWOMAN LEWIS: Okay.

8 Next item on the agenda is review and
9 approval of the 2006-2007 budget. And -- does
10 everybody have theirs, right?

11 Does anybody have any concerns or questions
12 about that? That's the one dated 6/8.

13 MR. LEEDER: Should I start?

14 CHAIRWOMAN LEWIS: Yes, you may start.

15 MR. LEEDER: So just as a point of
16 clarification, Debra, on the expenses, the office
17 expenses and the operating supplies, there's a line
18 item, operating supplies, not the total, but the line
19 item. Those appear to need to be combined, because
20 otherwise one's too low and one's too high. I mean,
21 substantially too low and substantially too high.

22 MS. BLASKO: Yes. I just didn't want to come
23 in and start changing things because you're looking at
24 budgets for an entire year, so I don't want to start
25 mixing it up and then everybody is going what happened

1 to these numbers.

2 MR. LEEDER: Yes, I think that's actually
3 acceptable because the figures are so incredibly off,
4 that unless you combine them that it actually prompts
5 more questions than without.

6 Also it appears to me with gas prices
7 appearing to continue to escalate that your air fare,
8 gas mileage and out-of-state airfare seem a little too
9 low. They all seem a little low. It seems to me
10 particularly that out-of-state airfare needs to be at
11 14-2 and right now it's at 12-1, so even with just my
12 own calculations it seems like it's too low.

13 CHAIRWOMAN LEWIS: Where are you?

14 MR. LEEDER: I'm on page 2. And I'm actually
15 reading the 5/23 one, but I notice that the 6/08 budget
16 is also substantially too low.

17 CHAIRWOMAN LEWIS: On that particular issue
18 for the -- through April, we had spent \$7,098.40 on out
19 of state airfare, so 12,100 seems fairly reasonable.

20 MR. LEEDER: I think it's still too low.
21 When you look at where we are at just with the
22 unaudited budget, we are already at 13-2 and they have
23 only budgeted 12-1. And we are already at 13-2, and I
24 would think gas is going to go up even more. It's on
25 page 4, travel in-state airfare.

1 CHAIRWOMAN LEWIS: In-state travel is at
2 13-2. Out of state travel is at 7,098.

3 MR. LEEDER: I guess what I mean to say is
4 that it's overbudget of 4248, so realistically it just
5 seems low to me.

6 CHAIRWOMAN LEWIS: In-state airfare \$13,205
7 is what we have spent through April, and they budgeted
8 17,200 for next year. That seems to me to be
9 reasonable.

10 MR. LEEDER: Okay. I'm not going to argue
11 with you, Madam Chairperson.

12 CHAIRWOMAN LEWIS: But I have some other
13 questions as to some other -- I mean, on a straight
14 line projection, having spent \$13,208, it seems
15 allowing for a ten percent increase to 17,000 is -- we
16 spent \$2,431 on car rental through April and we have
17 more than doubled that for the next year. For next
18 year that seems, you know, that's a substantial
19 increase.

20 MS. COOPER: But I also only traveled half
21 the year, so from December to current is only half of
22 the year so we added some.

23 CHAIRWOMAN LEWIS: But it's still -- it's
24 still an increase in terms of what we are looking at
25 and in overall expenses for maintaining the office.

1 Gas, I think, is low. That's the 600. I
 2 think that needs to be at least a thousand dollars.
 3 MR. LEEDER: Right. I agree with you.
 4 CHAIRWOMAN LEWIS: But we have kind of gotten
 5 ahead of ourselves here. Hotel we spent \$8,650.24, and
 6 with Lisa travelling back and forth down here, I'm not
 7 sure \$9,500 is going to be enough for next year,
 8 because we spent \$8,650 through April. So we are
 9 looking at something in the neighborhood of \$10,000 for
 10 ten months.
 11 Yeah, I think we need \$10,500 there if we are
 12 going to cover her hotel bills for coming down here to
 13 Las Vegas.
 14 Meals and entertainment, I think that needs
 15 to be increased to \$2,000. I think we need \$2,000
 16 there.
 17 Mileage we spent \$6,996.54, but mileage is
 18 going to go up next year, and you know, in January next
 19 year it's definitely going to go up, so I don't think
 20 \$8,400 is going to be sufficient. I think we are
 21 looking at more in the neighborhood of \$9,200. That
 22 was my estimate.
 23 Parking we put in \$1,400, and I guess that's
 24 parking at the airport.
 25 Per diem we expect \$6,043.65. Now that

1 should go -- \$5,400 may be sufficient, so we may want
 2 to go to 6000 there.
 3 We probably need to send -- as soon as we got
 4 all these numbers in, we probably need another budget
 5 in before we vote on this. We probably need a budget
 6 before the end of the day.
 7 Let's go back to the first page.
 8 MS. SCHULTZ: I think taxi needs to go up
 9 too.
 10 CHAIRWOMAN LEWIS: Yeah, I agree with you. I
 11 think taxi needs to go up to \$500. Then airfare
 12 out-of-state, I think \$12,100 is a good amount. We
 13 budgeted \$4,050 last year, we spent \$7,980.40.
 14 Now, I think that was for some people going
 15 to some training sessions that were out-of-state. I'm
 16 not sure how many of those we are going to have, but I
 17 think \$12,100 certainly is a sufficient amount to put
 18 this there.
 19 Car rental, we --
 20 MS. SCHULTZ: We need to raise that.
 21 CHAIRWOMAN LEWIS: We need to raise that
 22 probably to \$2,000?
 23 MS. SCHULTZ: Um-hum.
 24 CHAIRWOMAN LEWIS: Hotel, this is
 25 out-of-state hotel. Unless you're going to have a

1 whole bunch of people travelling out-of-state, \$13,800
2 seems a little high to me.

3 MS. COOPER: Just the NIC. NIC, the
4 regional.

5 CHAIRWOMAN LEWIS: We have already done that
6 for this year and spent \$8,247.61, so maybe \$10,000 is
7 sufficient. See we did it last year in Washington.

8 MR. LEEDER: So you're actually reducing that
9 figure.

10 CHAIRWOMAN LEWIS: I'm reducing the 13-8 to
11 10.

12 MS. ZESIGER: Is that going to work with the
13 Portland trip?

14 CHAIRWOMAN LEWIS: Yes. We spent \$8,247 this
15 year, and included in that already is the Idaho trip
16 and the Washington D.C. trip.

17 MS. ZESIGER: So now you have the NIC trip.

18 CHAIRWOMAN LEWIS: But that will be in next
19 year's budget. So \$11,000, let's do 11.

20 MS. COOPER: 11?

21 CHAIRWOMAN LEWIS: Yeah. Hotel. Got that.
22 Meals and entertainment -- here again I think we need
23 to have a thousand dollars. Got to eat while you are
24 at Portland.

25 MS. SCHULTZ: 1500.

1 CHAIRWOMAN LEWIS: Per diem still looks good
2 to me. That looks sufficient.

3 Taxi, out-of-state taxi probably 600 is more
4 suitable, especially in Portland, Maine. I don't know
5 where you're going to ride to in Portland.

6 MR. WALTHERS: You walk.

7 CHAIRWOMAN LEWIS: Now, I had some questions
8 on page -- go back to page 1.

9 June, application fees, through April we had
10 \$132,941.50. We are only proposing for next year's
11 budget \$133,300 for four years. Does that seem
12 reasonable at all?

13 Don't you think we would have closer to have
14 150? If we had 132,000 through April --

15 MS. SCHULTZ: That's not a renewal year.

16 CHAIRWOMAN LEWIS: But we still get
17 applications.

18 MS. COOPER: Applications would be --
19 applications and student applications.

20 CHAIRWOMAN LEWIS: I think we ought to
21 increase that to \$150,000.

22 MS. BLASKO: In May when I was working on the
23 budget and looking close at a lot of figures, I
24 discovered that there were some entries on deposits at
25 the beginning of the year that was posted to

1 application fees and they should have been posted to
2 exam fees. So in May, there is an adjustment for
3 \$20,000 out of application fees.

4 CHAIRWOMAN LEWIS: So the 133 may be -- so
5 this really it wasn't 112. You're telling me is it
6 really was 112,000 for the ten months, and that
7 examination fees was 233.

8 MS. BLASKO: I increased exam fees by almost
9 18,000.

10 CHAIRWOMAN LEWIS: So 133, it's a wash
11 basically.

12 MS. BLASKO: Um-hum.

13 MR. LEEDER: Are you basing, Debra, the
14 licenses and fees, that 1,012,000 figure, is that
15 actually based on the number of establishments, the
16 numbers of license fees?

17 MS. BLASKO: We are spreading that out
18 through '07, so it started the renewal period was '05
19 to '07. What we had was a pool of deferred income, and
20 then we are bringing in income every month, and that's
21 added to the pool and divided for the number of months
22 remaining in that year. So we are -- we have a big
23 deferred income pool that keeps growing. And if I just
24 took that, we actually have 65,000 a month deferred
25 over the 12 months of this new year that we are looking

1 at.

2 Plus we continue to bring in new licenses,
3 new salons, so it keeps increasing. So knowing that, I
4 know I can have that much per month and I think we
5 worked pretty conservative with what we said would be
6 new licenses.

7 MR. LEEDER: Is the bad debt expense, is that
8 the loss that we are taking on the retrieval of the
9 stale accounts receivables.

10 MS. BLASKO: When you have receivables, you
11 realistically on financial statements want a picture of
12 what it really is, and you know that you're going to
13 have some bad debt. Once we had months and months to
14 look at, we get a better handle on what we are really
15 collecting and what we have a problem with. The CPA
16 thought that 10 percent seemed like a good amount.

17 CHAIRWOMAN LEWIS: That is a good allowance
18 for bad debts. Under normal circumstances you would
19 expect not to get that.

20 Board fine income, we had gotten \$170,000 for
21 the ten months so far, and we are only projecting that
22 we get \$107,000 next year. Do you think that's a good
23 number?

24

25 MS. BLASKO: Don't forget that in April we

1 put in everything that was outstanding, going back.
2 CHAIRWOMAN LEWIS: Put it in as accounts
3 receivable, is that included in 170,000?
4 MS. BLASKO: Yes. Everything that we had we
5 put in that was outstanding, we put in at the beginning
6 of April.
7 CHAIRWOMAN LEWIS: So that's included in that
8 170,000, which really isn't actual income, that's part
9 of accounts receivable.
10 MS. BLASKO: Yes, it's a little inflated.
11 CHAIRWOMAN LEWIS: So then we put in bad
12 debts down at the bottom.
13 MR. LEEDER: But it does look like you
14 changed around your accounts just a little bit to
15 reflect more accurately where the income is coming
16 from. Like you do not have a miscellaneous revenue any
17 longer.
18 MS. BLASKO: Nobody likes miscellaneous, so
19 we are not going to have that.
20 MR. LEEDER: Okay. Thank you.
21 CHAIRWOMAN LEWIS: And we are now I see
22 depreciating our equipment as opposed to expensing it.
23 Let me ask, do we have included in the budget
24 the new phone costs?
25 MS. COOPER: Yes.

1 CHAIRWOMAN LEWIS: New phone system?
2 MS. COOPER: That's depreciated.
3 CHAIRWOMAN LEWIS: But we are going to have
4 to pay for it though this year. We may be putting --
5 we are going to have to actually put the cost down. We
6 may depreciate it as an asset on the balance sheet, but
7 on the expense statement we are going to have to pay
8 for that. We are on a cash basis, right? We are not
9 on an accrual basis.
10 MS. BLASKO: Yes, we are.
11 CHAIRWOMAN LEWIS: But even so, if we pay for
12 it this year we have to have enough money in the budget
13 to cover it.
14 MS. BLASKO: Yes.
15 MR. LEEDER: And do we have that?
16 MS. BLASKO: Yeah.
17 MR. LEEDER: Is that part of the computer
18 equipment and software line item?
19 MS. COOPER: Yes.
20 MR. LEEDER: That's kind of built into that?
21 MS. COOPER: There's a lot built into that
22 line. There's absolutely everything.
23 MR. LEEDER: On the contract services, under
24 the exams, the proposed for fiscal year 6-7 is 80,000,
25 but when we look at our unaudited statement we are

1 already at 99-4. So I'm concerned we are a little too
2 low there.

3 MS. BLASKO: It looks high actually, but of
4 course that's something we need to back out --
5 (Inaudible.)

6 MR. LEEDER: Same with professional fees.
7 Professional fees budgeted is 15-7, but this
8 year-to-date it's almost 21 already.

9 MS. BLASKO: That too has -- because things
10 were behind.

11 MS. COOPER: There are bills that were paid
12 this year that should have been paid last year.

13 MR. LEEDER: In this fiscal year?

14 CHAIRWOMAN LEWIS: Same thing should be with
15 the pension too.

16 MS. COOPER: Yes.

17 CHAIRWOMAN LEWIS: On the salary that we are
18 showing.

19 MR. LEEDER: I felt that was low also, just
20 because this year it's already at 25. So it's 3,000
21 more already year-to-date. It's only March. I mean,
22 this is March.

23 CHAIRWOMAN LEWIS: I'm sorry, what did you
24 think was low?

25 MR. LEEDER: Under the board salaries.

1 CHAIRWOMAN LEWIS: Yes, but one of the things
2 that happened, that will reduce that is that we were --
3 there was one of our board members was getting board
4 salary who is no longer doing it. So that should
5 reduce that substantially. And I have a question about
6 the actual salary number that's shown on there, but I
7 guess I can't really resolve that.

8 Does that amount that we are showing for
9 salaries take into account the increases that we are
10 proposing?

11 Okay. Well, that's an awful lot. Does
12 anybody else have any other changes that they see we
13 need to make to the budget?

14 Well, I had another question. We have \$8,000
15 here as an office expense, but bank charges, gifts, ADV
16 and ID cards?

17 MS. BLASKO: Advertising and ID cards.

18 MS. COOPER: Advertising for positions
19 available in the newspaper, and actually another thing
20 that would be coming out of that would be Christmas
21 party for employees, and --

22 MS. SCHULTZ: Badges.

23 MS. COOPER: Yeah, ID badges, and any other
24 monetary gift or sponsorship that the board would deem
25 appropriate, necessary to do.

1 CHAIRWOMAN LEWIS: Those are the changes that
 2 I would propose, and rather than adopt this, Debbie
 3 will give us a corrected copy and we can adopt it later
 4 in the meeting. Is that appropriate?

5 MR. REED: Yes.

6 CHAIRWOMAN LEWIS: All right, thank you. We
 7 will move that down to after the hearing. Okay.

8 The next thing on the agenda is election of
 9 officers for 2006-2007.

10 MR. WALTHERS: Can I make a motion on that?
 11 I would like to make a motion that we leave the
 12 officers the same way they have been for the last year.

13 MR. KELLY: I second it.

14 CHAIRWOMAN LEWIS: I've got to look in my
 15 rules of order to see if that's appropriate.

16 So you are moving that we elect the entire
 17 slate of officers as they are presently for the next
 18 year?

19 MR. WALTHERS: Yes.

20 MR. REED: I believe you can do that.

21 CHAIRWOMAN LEWIS: Is there a second to that
 22 motion?

23 MR. KELLY: Yes.

24 CHAIRWOMAN LEWIS: It's been moved and
 25 seconded that we leave the officers the same for next

1 year. Any discussion or questions on the motion?
 2 Okay.

3 All in favor please say aye.

4 (Ayes voiced.)

5 MR. WALTHERS: I would like to make a motion
 6 for a bathroom break.

7 (Whereupon, a recess was taken.)

8 CHAIRWOMAN LEWIS: The first petition to
 9 appear Kolesar & Leatham, Chartered, Matthew Dushoff
 10 for American Male Hair Salon, and they are requesting a
 11 waiver of NRS644.73. So you want to just state briefly
 12 what your position is and then we will have Mr. Reed
 13 state what the board's position is.

14 MS. DUSHOFF: Yes, I appreciate that. I'm
 15 Matthew Dushoff and I was hired by American Male to
 16 represent them regarding this issue. I would like to
 17 have Miss Hafetz, who owns American Male, speak before
 18 I have an opportunity. She needs to address the board
 19 regarding her issue.

20 I'm Jessica Hafetz. I'm based in
 21 Pennsylvania, so I flew out here for the meeting. I
 22 run a group of men's salons and we have 15 salons
 23 nationwide.

24 We plan to open a salon -- it's actually a
 25 franchise. We plan on opening a salon in the Summerlin

1 area.

2 We are a full service salon that does hair
3 cutting, but also hair coloring, nail services, facial
4 services, and waxing for men. We have been doing this
5 for about seven years and we have been trying to get
6 our salon open and were notified -- are you guys
7 familiar with where we have been with this so you know
8 we have been trying to do this for a couple of months.

9 As small business people, it's so hard for
10 us. We have a salon. It's ready to go. We have had
11 to spend \$10,000 on legal fees, I've had to fly out
12 here, so we want to find a way to work with you guys so
13 we can get this open.

14 Our salons are very professional, very well
15 received. We brought a press book. We have been
16 written up in the Wall Street Journal, the Los Angeles
17 Times, Boston Globe, you can see that it's a legitimate
18 business and we really want to teach men about grooming
19 services. We want to give them a place where they are
20 comfortable to have a manicure, pedicure, get their
21 hair colored in an atmosphere that they are comfortable
22 with.

23 We train our stylists to educate men on
24 grooming so they understand the importance of why they
25 should get a pedicure, why they want to get a facial,

24

1 because a lot of guys just don't have that information
2 and knowledge.

3 We have really been growing our franchises
4 aggressively and we believe that Las Vegas is the right
5 place to be. We want to get this done and taken care
6 of in a reasonable amount of time.

7 I don't know if there's anything else I need
8 to -- we do have women customers. We have three
9 corporate locations that we own, so I can speak from
10 those corporate locations that we do have quite a few
11 women who are customers.

12 We don't tell women they can't get their hair
13 cut there or can't get their nails done there. We just
14 choose to market to the male segment because we see
15 that as -- really guys don't have that many options.

16 And also there are men's salons in Las Vegas,
17 so that's another issue that became very frustrating
18 for us because it wasn't like we were the first. So we
19 are trying to find out how we can get the fair
20 treatment that the other salon chain was afforded.

21 I don't know if I'm allowed to say their name
22 in the meeting, so I won't say their name.

23 MS. DUSHOFF: Yes, we can.

24 CHAIRWOMAN LEWIS: We are just talking about
25 your salon right now, we are not talking about anybody

1 else's.

2 MS. HAFETZ: So I've been in this industry
3 for about -- I've been in this industry for about ten
4 years. My background is I worked at a national
5 association called the Salon Association, counseling
6 salon owners on the business end of running salons.

7 I sit on my local cosmetology school's
8 advisory boards, I sit on actually the board of the
9 Salon Association, as well as the board of the
10 Professional Beauty Federation, which is a national
11 association of manufacturers, distributors and beauty
12 supply and salons, so we really just want to find a way
13 to work this out. And believe me, the last thing I
14 wanted to do was hire an attorney, but no offense.

15 MS. DUSHOFF: No offense taken.

16 MS. HAFETZ: We became aware of the issue in
17 April and the salon was ready to open in May, so we
18 thought maybe if we go at it from a legal standpoint we
19 could get it open before the meeting, because now we
20 are paying rent on a salon that we can't open. It's
21 this huge expense, so that was why we decided to have
22 to hire the attorney, and you know, I came to the
23 meeting anyways.

24 So yes, that's kind of our story in a
25 nutshell, and I think maybe Matt can talk about it from

1 a legal standpoint, but do you have any questions from
2 me?

3 CHAIRWOMAN LEWIS: No, I don't.

4 Does anybody have any questions?

5 MS. SCHULTZ: I don't have a question, I have
6 a comment.

7 MR. KELLY: As we read the act, it's unlawful
8 as relates to cutting of men's hair. I think the way
9 that it's advertised, that you strictly go against the
10 regulation. Do you understand what I'm saying?

11 MS. SCHULTZ: I think it's number 2 that they
12 are in violation of. Represent itself to the public as
13 primarily engaged in the business of cutting men's
14 hair.

15 MS. HAFETZ: We don't just primarily cut
16 men's hair.

17 CHAIRWOMAN LEWIS: But to represent to the
18 public.

19 MS. HAFETZ: But it's not just about hair
20 cutting, it's about nail services and facial services,
21 skin services and hair cutting.

22 MS. DUSHOFF: If I may, I apologize. Do you
23 have a comment, Madam?

24 CHAIRWOMAN LEWIS: No, go ahead.

25 MR. DUSHOFF: Mr. Kelly, you read the

1 statutes as we cannot primarily target cutting men's
2 hair. Did you read both briefs?

3 MR. REED: If I may interject, Mr. Dushoff.
4 I believe those are being copied as we speak and we
5 want -- is it ready?

6 MS. COOPER: Yeah, these ones are ready.

7 MR. REED: In discussions with Mr. Dushoff,
8 he presented an argument to me in the form of a
9 four-page letter that had a legal issue in it that he
10 raised constitutional issues about the statute.

11 He also named another establishment that has
12 been approved for licensure that has more than one
13 location in Las Vegas area that apparently does
14 market -- this is according to Mr. Dushoff -- markets
15 primarily to men, and was making the argument there
16 that because we licensed this establishment, we have to
17 license American Male.

18 And there was also a third constitutional --
19 third argument made that the board could potentially be
20 held personally liable if they don't approve American
21 Male because they would be acting arbitrarily,
22 capriciously, what have you.

23 Now, that's more fully -- and I should say
24 that I wrote a letter, I researched this issue and I
25 drafted a letter in which I stated that I did not

1 believe that the statute in question, NRS644.473, was
2 unconstitutional. I believe it is constitutional and I
3 don't believe that the board could be sued for acting
4 within their jurisdiction on a matter within their
5 jurisdiction.

6 (Inaudible.)

7 My thought is to maybe -- oh, there's one
8 issue that came up just in the last couple of days is
9 the issue of bringing in this other entity and
10 discussing that at length.

11 My concern there is -- my initial concern was
12 they needed to be noticed, but I've got some further
13 information that as a business entity they would not
14 have to get the 30-day notice required if you're going
15 to discuss the person, person's character, conduct,
16 et cetera.

17 But my concern with discussing this other
18 entity is that they are not here, they were not
19 noticed. They are not really here to defend
20 themselves, and so it's a due process issue. If this
21 should ever come to the board in the future, that my
22 concern would be bringing that up.

23 I think Mr. Dushoff can make an argument to
24 that effect, maybe without bringing up that name,
25 without going into the salon in detail. I probably

1 can't absolutely prohibit him from using that name, he
2 may have already used it in his application, but I
3 would probably move that no further documentation of
4 that, other than what's stated in his letter before the
5 board.

6 But I think maybe the board needs to have a
7 few minutes to digest the arguments made in the two
8 letters or briefs before they can really make a
9 decision on the issue.

10 MS. SCHULTZ: I would like to make a comment
11 if I could. In 1991, Mr. Reed, we went to the
12 legislature to get rid of that law, and the committee
13 at that time said no, because the barbers would not let
14 us eliminate that law. That was their baby and they
15 wanted to leave that in there. So it wasn't that we
16 didn't try and get rid of it, because a lot of us do
17 male clients. But unfortunately, that was their
18 attitude no they didn't want to change it.

19 MS. CURTIS: On that line of page 10 in your
20 law book, during the time that we were discussing I
21 think in reference to another similar one, there was an
22 attorney general's opinion up at the top regarding the
23 advertisement and that was kind of on the same order.

24 We are not able to prohibit certain kinds of
25 advertisement, we can ask what you're doing inside.

1 MS. SCHULTZ: I really think this was the
2 barber's argument, it wasn't ours. And that's where
3 they are going to have a major problem and I don't
4 think we can change the law.

5 MS. DUSHOFF: If I may, if I can respond to
6 this.

7 When you're talking about the statute that
8 says you can't market primarily towards men, counsel,
9 your counsel argued well, it's commercial speech so
10 therefore you can regulate because of the word
11 "market", which is understandable.

12 I was with the attorney general's office for
13 ten and a half years, I told a couple of you this. I
14 represented almost every -- probably every board except
15 the cosmetology board, so I'm very familiar with
16 licensing and statutes and so forth, because I did it.

17 This statute not only talks about marketing,
18 but marketing to a specific gender, men. Prohibits --
19 you can't market towards men.

20 Well, let me ask you if you would have a
21 problem if it's commercial speech, then wouldn't it be
22 a problem if you said you can't market towards people
23 of the Jewish faith, African Americans, you can't
24 market towards Asians.

25 You see what I'm talking about? It's not the

1 marketing aspect. It's the fact that you're
 2 specifically eliminating an entire gender that we can't
 3 market to.

4 Now, the civil rights movement in 1960s never
 5 included gender. But in 1975, the U.S. Supreme Court
 6 stated that gender was a protected class. And that if
 7 up a statute out there that specifically prohibits
 8 gender or delineates between a gender specifically,
 9 that statute is presumed unconstitutional, unless there
 10 is a significant governmental interest.

11 Now in 1991, you told me you tried get rid of
 12 this. This statute was back in 1969 before gender
 13 discrimination even came to the forefront, which was in
 14 1975. And many of you can remember that when that
 15 happened in the big movement and it was huge, when
 16 you're talking about women getting into military
 17 schools and the like.

18 Now, gender discrimination statutes are still
 19 allowable, but the only time that you have these
 20 statutes is when you're talking about child custody,
 21 when you're talking about rape, specifically regarding
 22 women's issue.

23 We all know my hair is no different than your
 24 hair, your hair, or your hair. Women's and men's hair
 25 aren't different. So when you have a statute that says

1 hey, you can't market towards men, well, you're not
 2 talking about physiologically, you're just saying you
 3 know what, men are -- what was the archaic -- back in
 4 the sixties barbers cut men's hair, salons cut women's
 5 hair. We all know that's not the case anymore.

6 In fact, in '91 you tried to change that.
 7 Barbers no longer just cut men's hair, barbers can cut
 8 women's hair. You know what, if you look at barbers
 9 statutes, there's no prohibition to cut women's hair.
 10 They can market towards women, but yet they want to
 11 control you now and say you can't market toward men.

12 MS. SCHULTZ: I feel your pain, but I don't
 13 see how we can do anything about it.

14 MS. DUSHOFF: But you have. Maybe not you,
 15 but staff has.

16 MR. KELLY: Your argument is well versed, but
 17 if I show you the laws that are written and you read it
 18 aloud, I see nothing wrong with your opening
 19 statements, but you have to word it such that it
 20 doesn't infringe upon this particular law.

21 We didn't write the law, we are just here
 22 to --

23 MS. DUSHOFF: I understand that, but also
 24 understand that if a statute is glaringly, and you look
 25 at this, this is glaring, because like I said, if it

1 did have a race in there or country of origin everybody
 2 would be up in arms. Only because it's men that we are
 3 actually sitting here talking, because like I said if
 4 it was a race or a religion that it barred
 5 cosmetological establishments from marketing to, we
 6 would be up in arms. But because it's barring a
 7 gender, we are sitting here talking today and I'm
 8 sitting here trying to convince you that --

9 MS. SCHULTZ: You don't need to convince us.

10 MR. KELLY: Would there be anything wrong
 11 with you changing your approach to this idea?

12 MS. DUSHOFF: Well, that would be Ms. Hafetz.

13 MR. KELLY: Why don't you consider --

14 MS. HAFETZ: We are a national franchise.

15 MR. KELLY: But each state has --

16 MS. DUSHOFF: This statute does not exist in
 17 any other state.

18 MS. SCHULTZ: But it's the legislature that
 19 you need to be screaming at because we can't waive the
 20 law.

21 MR. DUSHOFF: But staff has.

22 MS. HAFETZ: I was told you could. That is
 23 why I flew from Pennsylvania, because I was told you
 24 guys could override the regulation.

25 CHAIRWOMAN LEWIS: It's not a regulation,

34

1 it's a statute. We can't do that.

2 MR. DUSHOFF: You absolutely can.

3 MS. HAFETZ: But I was told that you could.

4 MR. REED: May I make a suggestion?

5 I know Mr. Dushoff wants to make a full
 6 argument, but can I make a recommendation that the
 7 board receive Mr. Dushoff's letter and my responding
 8 letter, and the letter that will be presented will have
 9 the name of the other establishment redacted in that
 10 letter.

11 Mr. Dushoff, let me just make the
 12 recommendation that the board maybe take fifteen
 13 minutes to review that, because we are getting into
 14 some fairly complicated areas of law that I really
 15 think the board needs time to review.

16 CHAIRWOMAN LEWIS: But we have reviewed this
 17 on previous situations and issues where we have had
 18 this come up before, and the board has had to take a
 19 position on similar situations.

20 MS. DUSHOFF: If I may, I apologize, there is
 21 one that is -- that has four licenses right now. I
 22 won't mention their name, although I know I'm able to
 23 mention their name. It's not a violation of due
 24 process, Sports Clips, which is out there.

25 If you go on to their website and you have a

1 copy, they are guy only, solely towards men.

2 MS. ZESIGER: It's not in the name.

3 MR. KELLY: I'm trying to tell you, that's
4 the whole idea. Sports Clips does not define itself as
5 totally marketing towards men. There are women who are
6 in sports, there are children of all gender who are
7 involved in sports.

8 I think if you just consider the possibility
9 of making the name unisex, I mean as long as it appeals
10 to the board, I mean what you do, as long as it passes
11 the inspectors, I think it's fine.

12 MS. HAFETZ: For us -- what we were told once
13 we got in the process, by the chief investigator, was
14 that we could print on our literature women welcome,
15 put a sign women welcome. We were fine with that, and
16 then a couple of weeks later we were told that wasn't
17 okay. I mean, we could still do that option.

18 MS. COOPER: Let me interject right here.
19 When it first came to myself, when we discussed on the
20 phone, I said the only sticking point is American Male.
21 You even suggested if we take off the American and the
22 Male on the blocks and just have AM, would that be
23 acceptable, and I said that would be acceptable, and
24 then you said no, that isn't acceptable because it's a
25 branded, registered trademark, I can't take off the

1 American and the Male.

2 We had agreed that you could put something on
3 the sign that said women welcome, you could do all
4 different kinds of signage that said women welcome.
5 The only sticking point was the sign saying American
6 Male that was at issue for ourselves and the barber
7 board. That was the whole --

8 MR. KELLY: Just this state is at issue.
9 Just this state is at issue. I'm not familiar with the
10 other states. I'm sure probably my colleague Alex
11 would be more familiar with the other states.

12 MR. LEEDER: You're bad. I have a couple of
13 questions. Is now the time?

14 CHAIRWOMAN LEWIS: Sure.

15 MR. LEEDER: Sir, I'm just a little bit
16 concerned that maybe you're using the word "marketing"
17 for what we are actually using the word, "representing
18 itself." We are not -- the statute is not about
19 marketing.

20 Marketing is the advertising of the services
21 to the public. And that's not really what that statute
22 is saying. It's not marketing itself to the public,
23 but rather representing itself to the public, and I
24 think that there's a real key in that particular
25 phrasing, but then I'm also a little concerned because

1 I read your letter of April 27, where you -- you say
 2 right there that women are welcome, and that women will
 3 not be turned away for business if they show up.

4 MS. DUSHOFF: Absolutely.

5 MR. LEEDER: But I guess I'm just not seeing
 6 that statement in your marketing materials.

7 MS. HAFETZ: That would have to be an
 8 adjustment that we would have to make.

9 MS. SCHULTZ: But that even makes women seem
 10 like second class citizens in their business.

11 MR. LEEDER: Not really. I'm just not seeing
 12 that in your literature. That is my only concern is
 13 the statute is trying to be very specific about the
 14 representation of it just being for men.

15 When I look at your marketing materials
 16 that's how it's being represented, and so consequently
 17 I'm not quite sure if changing that really accomplishes
 18 your goal as a business. Do you know what I mean?

19 I mean, is that really your business mission
 20 to change that representation just so you can be in
 21 this marketplace?

22 MS. HAFETZ: No, that wouldn't be -- that
 23 would not be my ideal business mission. I'm trying to
 24 find a way to make it work so that it could -- and I
 25 know this probably isn't part of maybe -- is

1 irrelevant, but I look in the phone book in Vegas and
 2 it's like, there's a salon called Slender Lady. Now
 3 you have to be a skinny woman to get your hair cut at
 4 that salon, so it seems so unfair, and I think maybe
 5 you feel my pain.

6 MS. DUSHOFF: Mr. Leeder, let me ask you, if
 7 we were primarily marketing towards women, if we made
 8 ourselves available towards women or -- if we represent
 9 ourselves as an establishment that primarily cuts
 10 women's hair, you wouldn't have a problem with that.
 11 We wouldn't even be here?

12 MS. SCHULTZ: Understand, we did not put this
 13 law in. We are totally against this law and we tried
 14 to change it. The legislature made this law and the
 15 legislature -- we have to comply with what they write
 16 for us.

17 MR. LEEDER: But I think we would be
 18 complying, Bonnie, if in the event they took their own
 19 advice from their April 27th letter, we would be in
 20 compliance and they would be in compliance.

21 MS. DUSHOFF: We would do that in three
 22 second.

23 MR. LEEDER: And that seems to me that that
 24 allows them to open their doors.

25 CHAIRWOMAN LEWIS: What is that advice?

1 MR. LEEDER: They wrote us a letter. Now,
2 absent my review of Mr. Reed's correspondence, which we
3 can take the time to read and I certainly would like to
4 do that before I go further --

5 CHAIRWOMAN LEWIS: Yeah, I think we should.

6 MR. LEEDER: But absent reading that, it
7 would seem to me that they are in line to get an
8 establishment license.

9 CHAIRWOMAN LEWIS: I think we had better read
10 that.

11 MS. DUSHOFF: We would do that in two
12 seconds.

13 CHAIRWOMAN LEWIS: We are going to take a
14 five-minute recess and read this information, so we are
15 going to come back into session at ten minutes to 11:00
16 while we read this information.

17 MR. DUSHOFF: Thank you so very much.

18 (Whereupon, a recess was taken.)

19 CHAIRWOMAN LEWIS: We can return now that the
20 stenographer has returned.

21 MR. KELLY: The statements in your letter are
22 very well represented, showing you did a lot of
23 homework. Of course, the board position is already
24 established.

25 I think it's necessary for us to change, that

1 you're going to have to take us to court, because we
2 didn't make the laws, we are here to uphold them.
3 There are some other alternatives, American Hair, Salon
4 Hair. We do have representatives from the barber board
5 if you would like to hear their side of the story too,
6 but our regs are very clear.

7 MR. DUSHOFF: I understand what the regs are
8 and I appreciate that comment. We can't change the
9 name, however, because it's like having Wal-Mart change
10 their name because they don't market towards walls. We
11 can't change the name, but we can do what you would
12 like us to do, to make sure that women know that they
13 are welcome in American Male.

14 We will put up signs and we will put stickers
15 on all our literature, because we can't can change the
16 literature.

17 MR. KELLY: Doesn't get around the law,
18 though.

19 MR. DUSHOFF: This says primarily engaged in
20 the business of cutting men's hair.

21 CHAIRWOMAN LEWIS: That's it.

22 MR. DUSHOFF: Right. If you look at Sports
23 Clips, you say because of the name. However, if you
24 look at the literature which I supplied you, their
25 website says it's a guys hair cut, guys watch sports,

1 we are the only salon that cuts primarily guys, men's
 2 hair. In fact, the advertisement that they gave in the
 3 Review Journal gave coupons only to men and boys, not
 4 to women. Clearly, they are primarily engaged in the
 5 cutting of men's hair. As a matter of fact, if you've
 6 been in one, they are solely engaged in the cutting of
 7 men's hair, yet they received a license.

8 Now, they have received a license because
 9 their name does not have "male" in it. However, when
 10 you're primarily engaged -- it doesn't matter what the
 11 name is, we will do -- we will do something, whatever
 12 we need to do for that, because you don't want to go to
 13 court. I'm a litigator, trust me, I don't want to go
 14 to court. It's not worth your time or our time.

15 What do we need to do?

16 MR. REED: I want to clarify one thing,
 17 Mr. Dushoff, that those advertisements have not been
 18 supplied to the board.

19 MR. DUSHOFF: May I?

20 MR. REED: It's up to the board. I would
 21 object on due process grounds for the other entity.

22 (Inaudible.)

23 I really think -- because we are dealing with
 24 another licensee here who is not here today. I really
 25 think he has already -- Mr. Dushoff has already made an

1 argument as to their advertisement.

2 MS. SCHULTZ: I would like to make a comment.
 3 We cannot refuse to issue a license to the
 4 establishment because you're a cosmetological
 5 establishment and you hire cosmetologists. We can
 6 issue that license.

7 The problem is when you started advertising
 8 primarily for men, that's when our inspectors go in and
 9 give you a citation and you're fined. You're fined,
 10 what is it, a thousand dollars.

11 MR. DUSHOFF: What if we chose a little bit
 12 of marketing towards women.

13 MS. SCHULTZ: Whatever you're marketing, we
 14 don't care. We cannot waive a law. That is going to
 15 have to go through the court system. We cannot deny
 16 her a license since she is primarily cosmetology, but
 17 if we see advertising like the one you're going to
 18 submit to us for the other place, I guarantee you they
 19 are going to get a citation.

20 MR. DUSHOFF: That's the problem. They have
 21 been around and they are getting two more licenses.
 22 All we are asking for is fair treatment. You can't
 23 grant them under that statute specifically and then
 24 deny us in the same breath.

25 MS. SCHULTZ: We didn't waive this statute

1 for them, they opened as a salon. If they are not
 2 getting citations, Annie, that's up to you. They need
 3 to get citations.

4 I would like to make a motion at this time
 5 that the petition for waiving the law, NRS 644.4731 and
 6 2, be denied.

7 CHAIRWOMAN LEWIS: Is there a second to the
 8 motion?

9 It's been moved and seconded by Linda Zesiger that the
 10 petition to waive the statute NRS644.4731 and 2 be
 11 denied.

12 Is there a question on the motion?

13 MR. REED: May I just clarify one thing?
 14 Will this determine this issue this morning or will it
 15 then go to a second level as to whether or not if the
 16 statute is not waived, then whether or not they have
 17 complied or they have violated the statute itself or
 18 what they could do to remedy the situation?

19 CHAIRWOMAN LEWIS: What we are moving is that
 20 the regulation -- the petition to have the law
 21 waived be denied. And if they come back with some
 22 additional changes or some additional information, then
 23 at that point we will consider it again. But at this
 24 point what we are hearing is denied, if the motion
 25 passed.

1 MS. SCHULTZ: Just the waiving of the law is
 2 all we are motioning.

3 MR. DUSHOFF: Vice Chairman Schultz, may I
 4 ask this. By doing -- and I understand exactly what
 5 you just said, so basically I want to make sure in my
 6 mind for my client's sake, that if they applied for a
 7 license now, which they have submitted their
 8 application, that they will be granted a license, that
 9 since they are licensed cosmetologists, they will be
 10 granted a license.

11 However, if they are found out to be
 12 primarily engaged in the cutting of men's hair, at that
 13 point, afterwards, they would be issued a fine or
 14 something to that effect?

15 CHAIRWOMAN LEWIS: Or closed.

16 MR. DUSHOFF: Whatever the sanction would be.
 17 Then at that time that is what would happen, correct?
 18 So all you're voting right now is, no, you're not going
 19 to waive this, but you are going to grant them -- it's
 20 up to them.

21 CHAIRWOMAN LEWIS: There's nothing on the end
 22 of that.

23 MS. SCHULTZ: We can't refuse them a license.

24 MR. DUSHOFF: Understood.

25 CHAIRWOMAN LEWIS: But we are not waiving the

1 unlawful acts -- well, we haven't voted on that yet.

2 MR. LEEDER: But there was a question.

3 CHAIRWOMAN LEWIS: There have been two
4 questions and you have a third question.

5 MR. LEEDER: I do. Because you had said that
6 you were ready to open, and so you built a facility.
7 So where was the establishment license request while
8 you were building? What was happening?

9 MS. HAFETZ: The license to the state board?

10 MR. LEEDER: Did you apply for the
11 establishment license while you were building?

12 MS. HAFETZ: Yes.

13 MR. LEEDER: Before you started construction?

14 MS. HAFETZ: The establishment license, like
15 a salon license; is that what you're asking?

16 MS. SCHULTZ: Um-hum.

17 MS. HAFETZ: What we did was, we did the
18 research, looked at your website and started
19 construction and complied -- we knew the rules of like
20 the flame retardant trash cans. I think your website
21 says it takes seven days, so we didn't want to apply
22 too soon because we were under the impression that --
23 which is to your credit -- I had salons in a lot of
24 states, and that's amazing because no state can get you
25 licensed in seven days. So we waited to apply.

1 Before we were ready to apply, someone saw a
2 help wanted ad, and that's how we became aware that
3 there was a problem.

4 MR. LEEDER: And then in some of your website
5 material, it's called American Male, the new barbering.

6 MS. HAFETZ: That's our old website, and what
7 we did, we actually dropped that tag line about a year
8 ago because it wasn't correctly representing what we
9 were doing and we no longer use it. If you look at our
10 website now, it's no longer on our website.

11 MR. LEEDER: I guess that's our concern in
12 the state of Nevada is, just as you dropped the tag
13 line, "The new barbering experience," I think the tag
14 line, "The experience for men," which is a full service
15 salon for guys, that tag line would probably better be
16 suited missing because it's representing itself as a
17 salon designed for guys. So certainly without that tag
18 line, certainly the American Male may imply men's, but
19 nonetheless you're specifically not saying a full
20 service salon for guys.

21 CHAIRWOMAN LEWIS: I certainly wouldn't want
22 to give you any recommendations on what you need to do
23 to be in compliance with this. You know that you can
24 drop a little bit of this and add a little bit of that
25 and that will do it. So I don't think the board is

1 trying to do that.

2 All we are saying at this point is what we --
3 I mean, the motion is that we are not waiving the
4 regulation, NRS statute. That's the motion, we have
5 not voted on that yet. Are there any other questions
6 or comments on the motion?

7 All in favor of the motion please say aye.

8 (Ayes voiced.)

9 CHAIRWOMAN LEWIS: All opposed to the motion
10 please say aye.

11 MR. LEEDER: Abstain.

12

13 CHAIRWOMAN LEWIS: We have four -- four and
14 two abstentions. Thank you.

15 MS. SCHULTZ: I'm sure Mr. Dushoff knows that
16 643 would be another one that you might be interested
17 in for barbers.

18 MR. DUSHOFF: I'm well aware of it and I do
19 appreciate it, and I thank you for your time this
20 morning.

21 CHAIRWOMAN LEWIS: We have another petition
22 to appear. We have a petition to appear from the
23 Nevada Cosmetology Association.

24 Excuse me, would you please state your name
25 for the record?

1 MS. DUNHAM: Sandy Dunham.

2 MS. RAMO: Gwen Ramo.

3 CHAIRWOMAN LEWIS: You're representing the
4 Nevada Cosmetology Association in a petition to set
5 specific boundaries between the opening of any new
6 cosmetology school that wishes to open after the date
7 of this petition.

8 What is your proposal?

9 MS. RAMO: I'm Gwen Ramo from Nevada
10 Cometology Association.

11 We have hired a consultant to get some
12 numbers and I would like to pass these out to the board
13 so you can actually see what our proposal is all about.

14 What we are proposing, and I don't know what
15 the board could do because I know what the board's
16 position is to the industry, to the clients, to the
17 licensees, but I'm not really sure board's position is
18 with the cosmetology schools.

19 Here lately we are kind of looking at that --
20 we are kind of overcrowding each other in
21 location-wise, and so we have the consultant, she went
22 in to like the fastest growing cities too, because we
23 know that Vegas is a fast growing city, but so is
24 Arizona, Colorado Springs.

25 She was investigating how many schools per

1 capita, and when it got down to Las Vegas we had --
 2 with, Phoenix, Arizona there's eight schools per capita
 3 is 177,255. With Las Vegas including Henderson and
 4 North Las Vegas, there's 11 schools and it's 83,493 per
 5 capita. Colorado schools is four schools, 92,341.
 6 Sacramento, four schools, 113,583. And the average
 7 distance between those schools is about 9.5 miles.

8 What we were just asking, and we wanted to
 9 start with the board to just give this information to
 10 our state board so that our state board can kind of
 11 understand, because we didn't want it to sound like
 12 this is being selfish because other schools are coming
 13 here. That's competition and that's fine, because
 14 competition is good and it kind of keeps all the
 15 schools on their toes. But what is kind of happening
 16 is, and we kind of found this out from associating with
 17 the other schools is they are low balling tuition,
 18 cutting tuition prices in half.

19 I mean, the schools are not actually having
 20 the amount of students at that time that they probably
 21 filled out their bond performance saying there's going
 22 to be the 25 students. We had someone to go into a
 23 school, there was about seven students there. I don't
 24 know how many students were actually enrolled, but
 25 if -- we feel that if this is not regulated some kind

1 of way, we don't know where to start, but you know,
 2 from me socializing.

3 I mean, I'm a product of Ms. Sandy's school.
 4 A while back she said they had in the law years ago
 5 that there was some type of boundary, and now there's
 6 nothing there. We don't know how -- if we need to go
 7 through legislation, but we wanted to start with our
 8 state board to give them this information so that maybe
 9 when the schools are submitting application for
 10 licensing, you can maybe recommend that there's no
 11 schools over in this area. There's no schools in
 12 Pahrump, there's no schools in Mesquite. There's a lot
 13 of places there's no schools.

14 I mean, now we have schools, I mean, like
 15 two, three miles from each other. I mean, there's
 16 unique challenges dealing with cosmetology students.
 17 You know, we have a lot of students in our schools that
 18 have never done anything. So we are just here, we are
 19 here as an association asking the board in the state
 20 board office, what can we do to help make this work
 21 better.

22 Because we are not just the only fast growing
 23 city, there's a lot of other fast growing cities, and
 24 we didn't get a chance to actually talk with those
 25 state board offices to find out what are they doing to

1 keep these schools in this distance. Because they are
 2 actually doing something, if this is per capita of the
 3 amount of people.

4 MS. SCHULTZ: I don't think that we can put a
 5 moratorium and change jurisdiction of schools. I don't
 6 think we can stop somebody from opening. It's like
 7 McDonald's, you can't stop them from going in across
 8 the street from your house. I don't think we legally
 9 can do that, but the planning commission might be the
 10 best place to start.

11 MS. RAMO: But we want to make sure, because
 12 when we go to them, we can say we have already went to
 13 our state board and we have already given them this
 14 information. Because if we can't, we're not going to
 15 stop here, but we want to make sure you're aware.

16 MS. SCHULTZ: And I don't remember anything
 17 in the law about distance. It might have been the out
 18 of the area apprenticeship thing. That's the only
 19 thing I know of that had a mileage on it.

20 MR. WALTHERS: This thing that you did, like
 21 with Phoenix, this is completely wrong. It has Phoenix
 22 with the population, just Phoenix alone. Phoenix has
 23 five million people in their metropolitan area.

24 I also can also tell you some states with
 25 some figures, the state of Wyoming has 11 beauty

1 schools in the whole state to service only 400,000
 2 people. The state of Idaho has only 20 schools for
 3 less than a million people. The state of Montana is
 4 the same way. They only have 13 schools for 400,000.

5 CHAIRWOMAN LEWIS: I think probably where you
 6 need to start with this would be the legislature to see
 7 what kind of changes you can implement into the law if
 8 you're interested in getting some restrictions.

9 MS. RAMO: I don't think it's about allowing
 10 of applications. I think you're misunderstanding, and
 11 I've kind of heard some talking and I know there's some
 12 negativity about it. That's not what we are here for.

13 We are here to give information. Nobody is
 14 here saying don't license a school. We just don't want
 15 a school right next door to our school.

16 If we're graduating all these cosmetologists,
 17 there's going to be four, five, six salons in every
 18 shopping center. It's not about not allowing a school
 19 to come in, but there are some other places where they
 20 could be actually recommending licenses to -- I mean,
 21 giving information to those schools saying there's no
 22 school in this area, there's no school on this area,
 23 instead of schools on every other block. That's all we
 24 are saying.

25 CHAIRWOMAN LEWIS: I think that I understand

1 what you're saying, and I think that you also are
2 suggesting, based on what you're saying, that if people
3 are not meeting the requirements for a school in terms
4 of number of students, that we need to be looking at
5 that and be aware of what's happening with that going
6 forward so that we then can as part of our overall
7 review process know what's happening with that.

8 MS. RAMO: Yes.

9 CHAIRWOMAN LEWIS: I think we hear you on
10 that, I think we really do.

11 MS. RAMO: Because the schools are not
12 allowing the board to even -- if we don't step forward
13 to say something about it, and then once it starts
14 happening, and it's just a trickle down effect and it's
15 out of control, and it's like no one ever said anything
16 about it. And as an association, we want to make sure
17 that the board understands.

18 MR. KELLY: That's a good point. I think
19 that if we put together the right laws for the right
20 people, we will be more than happy to help you in that
21 matter.

22 MR. WALTHERS: I totally disagree. I don't
23 think this is anything the board should have to
24 entertain whatsoever. I don't think this is something
25 that belongs in the Board of Cosmetology. I think this

1 is something that goes to the general public if they
2 want this stuff done.

3 CHAIRWOMAN LEWIS: That's what I think we
4 just said. If they want it, they need to take it to
5 the legislature. But we appreciate you coming to us
6 and informing us.

7 MS. RAMO: Right. That's why we want to do
8 this first. Because if we go before the legislature,
9 they would say well, have you been to the state board,
10 and we don't want to say no, we haven't.

11 CHAIRWOMAN LEWIS: You have a second issue,
12 the school bond issue?

13 MS. COOPER: They had originally done their
14 petition to appear, then we had a discussion about that
15 petition to appear and we never had a revised one, so
16 did your association have a meeting?

17 MS. DUNHAM: Yeah.

18 CHAIRWOMAN LEWIS: So that is resolved.

19 MS. RAMO: She's taken care of it.

20 CHAIRWOMAN LEWIS: Thank you so much.

21 MS. DUNHAM: We did have a few other
22 clarifications, but it's not listed on there. I wonder
23 if we can ask it at this time?

24 CHAIRWOMAN LEWIS: I have to ask the attorney
25 general. Can they ask questions that are not issued,

1 that are not stated in their petition to appear?

2 MR. REED: That's not usually --

3 (Inaudible.)

4 CHAIRWOMAN LEWIS: What are your questions?

5 We will just consider it for next time.

6 MS. DUNHAM: We were wondering if the board

7 was going to be holding any classes for instructors to

8 earn CEUs because they have done that in the past.

9 CHAIRWOMAN LEWIS: I don't think we have done
10 that lately.

11 MS. DUNHAM: We are looking to do that as an
12 association, but we will come and get it approved
13 first.

14 MS. COOPER: We did give CEUs for the school.

15 MS. DUNHAM: That's all you were going to do.

16 MS. COOPER: That's all that we did right
17 now.

18 MR. LEEDER: Have we had a problem with a
19 school closing and students not getting their education
20 or not getting their money back?

21 MS. SCHULTZ: Not recently, but we have had
22 that.

23 MR. LEEDER: Like years back?

24 MS. SCHULTZ: Years ago.

25 MR. LEEDER: I noticed in the assessment that

1 there's an assumption that the potential for successful
2 schools diminishes as market saturation increases, so
3 are we seeing lower test scores on Nevada applications?

4 MS. COOPER: I'm not seeing lower test scores
5 on the written.

6 MR. LEEDER: Are we seeing higher test
7 scores?

8 MS. COOPER: We have only had knowledge of it
9 for the last year, so I don't really have anything to
10 compare it to.

11 MS. RAMO: Not yet.

12 MS. COOPER: Right, not as yet.

13 MR. LEEDER: So as of right now, market
14 saturation is not affecting our licensees?

15 MS. COOPER: Currently.

16 CHAIRWOMAN LEWIS: Do you have another
17 question?

18 MS. DUNHAM: I do. Another question was some
19 of the people that are contacting us, they are calling
20 the office down here asking about licenses. They come
21 in with a license from another state or have ours and
22 they are referred to the Reno office.

23 Is everything going through the Reno office?

24 CHAIRWOMAN LEWIS: Everything is supposed to
25 go through this office. They should not be referred to

1 the Reno office.

2 MS. COOPER: No, they should not be.

3 MS. DUNHAM: The other thing is white
4 uniforms. Students are to wear all white for the
5 tests.

6 MR. REED: I'm sorry, I'm going to have to
7 interject here that this really is not on the agenda.
8 You can bring it up during public comment, but any
9 discussion at this point by the board members I think
10 really shouldn't be done.

11 MS. SCHULTZ: I think some of those
12 questions, Lisa could take care of for you.

13 CHAIRWOMAN LEWIS: Next on the hearing is
14 Becky Ann Boeras versus Phong Thanh Dao. Are they
15 present? Formal hearing for Becky Ann Boeras versus
16 Phong Thanh Dao.

17 MR. WALTHERS: I'm going to make a motion to
18 dismiss since nobody bothered to show up.

19 CHAIRWOMAN LEWIS: Motion to dismiss.

20 MR. REED: Can I -- the licensee was duly
21 noticed?

22 MS. COOPER: Yes.

23 CHAIRWOMAN LEWIS: Licensee was duly noticed?

24 MS. COOPER: Yes.

25 CHAIRWOMAN LEWIS: Noticed to appear. The

1 notice that --

2 MS. COOPER: That was sent on May 30th --
3 came back on May 30th.

4 MR. LEEDER: Looks like February 2nd and
5 March 19th.

6 CHAIRWOMAN LEWIS: So they were duly noticed.
7 It's been moved and seconded that we dismiss the
8 hearing.

9 All in favor of the motion, please say aye.

10 (Ayes voiced.)

11 CHAIRWOMAN LEWIS: Opposed?

12 MS. ALFA: There's two people who just walked
13 in. They are new people that just walked in.

14 CHAIRWOMAN LEWIS: Becky Boeras and Phong
15 Thanh Dao?

16 Okay. They are not there.

17 MR. LEEDER: Madam Chairman, do we know where
18 Mr. Dao is working now, which salon he works at?

19 MS. COOPER: No, we do not.

20 MR. LEEDER: Is he currently licensed?

21 MS. COOPER: Yes.

22 CHAIRWOMAN LEWIS: Next we have Hilda
23 Patricia Webb versus Dolphin Court, John Cunningham
24 licensee.

25 Would Ms. Webb, would you come forward and

1 have a seat and state your position, and then we will
2 have Dolphin Court, Mr. John Cunningham and Melinda
3 Nelson, come forward to state their defense and
4 particular position.

5 Would you state your name and then we will
6 affirm you for the record?

7 MS. WEBB: My name is Hilda P. Webb.

8 MR. REED: I need to check under the open
9 meeting law. The licensees, are they here?

10 MR. CUNNINGHAM: Yes.

11 MR. REED: You received notice by certified
12 mail of this hearing?

13 MR. CUNNINGHAM: Yes.

14 MR. REED: When would that have been, about a
15 month ago?

16 MR. CUNNINGHAM: Yes.

17 MR. REED: So you're entitled to receive
18 notice either 21 working days in advance by certified
19 mail, or by personal service five working days in
20 advance. And if there were any -- and I'm not saying
21 there were any violations of that, but if there were
22 any minor violations or any violations of that, do you
23 waive any of those violations at this time to appear?

24 MR. CUNNINGHAM: Yes.

25 MR. REED: You both do?

1 MR. CUNNINGHAM: Yes.

2 MR. REED: Okay. I just wanted to make sure.

3 CHAIRWOMAN LEWIS: I think we have asked that
4 and we will ask that about all of our hearing schedules
5 for the day, that all of the information has been sent
6 to them and they have been properly noticed.

7

8 Thereupon--

9 HILDA P. WEBB,

10 was called as a witness, and having been first duly
11 sworn, was examined and testified as follows:

12 MS. WEBB: I have been a regular customer of
13 Dolphin Court for a couple of months, and then I did
14 highlights and I dye my hair. And then after dye, on
15 August 24th, I went back to do a relaxer on my hair.

16 My hairdresser was Melinda Nelson at that
17 time, and I came in and I asked her do you think I can
18 do a relaxer on my dyed and highlighted hair. She said
19 well, I don't know, let me ask.

20 So she called John Cunningham, who is the
21 manager, and she asked if she can do a relaxer on my
22 hair. He just looked and said yes, he went to the back
23 of the salon and brought a product which was applied on
24 my hair.

25 They applied the product for I don't know how

1 long it went by, and then they washing my hair and they
 2 dried it. As soon as my hair was dried, I can see my
 3 hair it look like a broom. It was very dry, and well,
 4 I thought well, maybe it's just because of the first
 5 day. That was on a Friday.

6 I washed my hair, then I went back on Monday
 7 and I talked to the manager. I said look, my hair
 8 feels very dry, looks like a broom, do you think this
 9 will go farther? He said no. He sold me a conditioner
 10 and a shampoo and gave me some samples, then I went
 11 away for two weeks.

12 A. During my trip, I looked for some advice and
 13 the hairdresser just told me that due to the relaxer,
 14 the strands on my hair were broken, so I most likely
 15 was going to lose all my hair. So I went back and I
 16 went to talk to Mr. Cunningham and I talked to him.

17 I said I went for second advice because my
 18 hair seems very dry, and I don't see any improving due
 19 to the shampoo you sold me or conditioner.

20 He said well, let me look at your hair, it
 21 looks kind of dry but I don't think it's going to go
 22 farther than that.

23 He offered to do a hot treatment, and then he
 24 said I can go two weeks. Even though the hot treatment
 25 was done to my hair, I didn't see any improvement to my

1 hair. My hair continued to fall off. I had to buy
 2 natural hair brushes because if I use the normal ones,
 3 I just saw more hair falling off. I couldn't wash my
 4 hair more than twice a week because of the condition
 5 and what was advised to me during my trip.

6 I went there like seven times, every two
 7 weeks. And during my last visit in December, they were
 8 doing a hot treatment and I was left unattended. I
 9 felt my hair like burning, so I had to take it off the
 10 hair dryer, and in doing that I burned my neck.

11 The person that was doing that at that time
 12 was the manager. Melinda Nelson didn't see me anymore.
 13 Mr. Cunningham was doing all this seven times.

14 It hurt very much and I left the place, and I
 15 spoke with him back on Saturday and I explained that I
 16 didn't want him to do anything to me because I didn't
 17 know what else was going to happen. He agreed Melissa
 18 Nelson to do whatever they needed to do left, and he
 19 asked me how many times did I supposed want to come
 20 back, and I said well, until -- I said well, until my
 21 hair goes back to the same way to where my hair was
 22 before it was damaged.

23 During that time I was wearing a ponytail. I
 24 was having a lot of holes in my scalp and you can
 25 actually seeing where my hair had falling off. And you

1 can see in the pictures I have attached to my
2 complaint.

3 I discussed after talking to Mr. Cunningham
4 that, with my husband, and we tried to talk to the
5 owners to see what we can do after that, but they
6 refused to talk to me. So in order to avoid future
7 people to go through what I went.

8 People ask me do I have leukemia because of
9 the condition of my hair, and I have to cut very short
10 and dye it like black. It was not a personal choice,
11 it was what I had to do because of the condition of the
12 hair. It looks horrible.

13 I was very depressed. I am a manager, I have
14 to deal with a lot of people, and it was no fun to have
15 no hair. And the hair is the most important for women
16 because it's the frame of the face. So to avoid people
17 to go through what I went, that's why I'm here to tell
18 you my story and what happened.

19 MR. KELLY: What do you want us to do?

20 MS. WEBB: Well, Dolphin Court is supposed to
21 be a professional place. They have a license and they
22 are supposed to be professional. If they can't do a
23 relaxer because they are overprocessing the hair of the
24 customer, I think they need to go to school, because
25 both of them agreed and did the procedure.

1 I don't think based on -- and regular sense,
2 common sense, they shouldn't have done that at the
3 beginning, and I want the salon to get a fine also.

4 MS. SCHULTZ: You had color on your hair when
5 you went in?

6 MS. WEBB: Yeah, Melinda had done it before.
7 I have a picture here.

8 MS. SCHULTZ: Was it a highlighted color?

9 MS. WEBB: Yes, so my hair was colored and
10 highlighted by Melinda before.

11 MS. SCHULTZ: So it was highlighted.

12 MS. WEBB: Yes, and Melinda was the one that
13 did it before.

14 CHAIRWOMAN LEWIS: And they gave you seven
15 hot treatments?

16 MS. WEBB: Yes, you can see the condition of
17 my hair.

18 MR. LEEDER: But your hair has grown out now.

19 MS. WEBB: Yes, but it's almost two years
20 now. Because I have to grow it from up here to down to
21 where I have it. And you can see in the picture the
22 condition of my hair.

23 CHAIRWOMAN LEWIS: Mr. Kelly had a question.

24 MR. KELLY: Well, based on your complaints,
25 any hairdresser worth his grits knows you shouldn't put

1 sodium on bleached hair. So it sounds like to me, and
 2 you're well documented, that you could take them to
 3 court.

4 MS. WEBB: I already did and I won.

5 MR. KELLY: So what do you want us to do?

6 MS. WEBB: Well, first I did it here, but it
 7 took a long time to get a result, so I went to court
 8 because people can't go around damaging people's hair.

9 MR. KELLY: What do you want from us?

10 CHAIRWOMAN LEWIS: I think we need to hear
 11 from the salon people. Do we have Mr. Cunningham and
 12 Miss Nelson?

13 Would you please each state your name and who
 14 you're representing for the record, please?

15 MS. NELSON: I'm Melinda Nelson. I'm a hair
 16 stylist at Dolphin Court Salon and Day Spa, and I'm
 17 representing Dolphin Court.

18 MR. CUNNINGHAM: My name is John Cunningham.
 19 I'm representing myself, and also I'm a cosmetologist
 20 in charge at the Dolphin Court Salon and Spa.
 21 Thereupon--

22 MELINDA NELSON,
 23 was called as a witness, and having been first duly
 24 sworn, was examined and testified as follows:
 25 ///

1 Thereupon--

2 JOHN CUNNINGHAM,
 3 was called as a witness, and having been first duly
 4 sworn, was examined and testified as follows:.

5 CHAIRWOMAN LEWIS: Do you want to state,
 6 Ms. Nelson --

7 MS. NELSON: Yeah. Patricia had come to me
 8 and I did color and a few highlights. All of her hair
 9 was not highlighted. Then she asked about getting a
 10 relaxer, and I kind of was like, um, I wouldn't
 11 recommend it to her personally, not because of her hair
 12 being with a few highlights in it, but because her
 13 hair -- when she came to me she liked volume, and I
 14 thought a relaxer is not going to give her volume, but
 15 she seemed very insistent that she wanted it
 16 straighter.

17 So I said well, I don't really recommend it,
 18 but I can get a second opinion if you would like with
 19 the manager, and she said yes, please do. So that's
 20 when I brought Anthony over, and I don't know if he
 21 wants to speak with what he did on her hair from there.

22 Is that okay if I do that?

23 CHAIRWOMAN LEWIS: Well, you applied a
 24 relaxer?

25 MS. NELSON: Yes, then we get to the point

1 where I applied a relaxer.
 2 MS. SCHULTZ: And you used Rusk, correct?
 3 MS. NELSON: Yes.
 4 MS. SCHULTZ: And that's a thiosodium?
 5 MS. NELSON: Right, and it's for color
 6 treated hair.
 7 MR. LEEDER: Do you still use Rusk?
 8 MS. NELSON: Yes.
 9 MR. LEEDER: Have you had any other problems
 10 with Rusk?
 11 MS. NELSON: No.
 12 MS. SCHULTZ: And you colored and highlighted
 13 her hair before the relaxer?
 14 MR. LEEDER: Did you do that all on the same
 15 day?
 16 MS. NELSON: No. I left it on for about
 17 seven minutes, just very quickly to lightly relax her
 18 hair. I did everything by the directions.
 19 When I blew her hair dry it seemed fine to
 20 me, it didn't seem broken or damaged in any way. And
 21 she left and that was the last I heard until I came
 22 back to work. Anthony had informed me that she came
 23 back in and complained that her hair was dry.
 24 MS. SCHULTZ: Well, we are looking at the
 25 pictures and obviously it was not dry, it was broken.

1 MS. NELSON: Yeah, and I don't disclaim the
 2 pictures because I never personally saw that, because
 3 at that point she went to him and when I saw her she
 4 was underneath the dryer.
 5 MR. CUNNINGHAM: Ms. Webb came in and said
 6 her hair was dry.
 7 CHAIRWOMAN LEWIS: Well, tell us what you did
 8 about the relaxer before you got to selling her hair
 9 products.
 10 MR. CUNNINGHAM: I did a strand test,
 11 actually, took a water bottle, took a section of her
 12 hair and tested the elasticity of her hair and it
 13 seemed fine. And the recommended product was Rusk
 14 anticurl for color treated hair.
 15 I mean, we went ahead and did the relaxing
 16 service, then she did call and come back. She stated
 17 that she washed her hair the next day. You do not --
 18 part of the instructions after a perm is to not wash
 19 your hair for at least 24 hours.
 20 I sold her All Soft Shampoo and Conditioner,
 21 and invited her to come in for complimentary
 22 conditioning treatments as a good faith customer
 23 service gesture, using the Life Tech steamer on her.
 24 She then said that she left for -- was
 25 leaving on vacation and that she would come back

1 afterwards, which she did come back.

2 During the course of her treatment, she told
3 me that she had had a product that was recommended, or
4 I think it was a couple of times later, that a product
5 that was recommended from her hairdresser in her native
6 country. I encouraged her not to use that on her hair,
7 that that would -- that's not, you know, part of the
8 prescription.

9 She kept coming in for -- coming back for
10 treatments and -- and she basically is disgruntled.

11 MS. WEBB: May I say something, please?

12 CHAIRWOMAN LEWIS: When they are finished.

13 MR. CUNNINGHAM: I had had no problems doing
14 relaxing services, no other complaints of unsafe or
15 gross malpractice. My client count for last year was
16 over a thousand clients. Between Mindy and myself, we
17 have done over 1700 clients in the last year with no
18 other malpractice suits.

19 As far as her court appearance, the judge
20 was -- was representing her husband in a case, and that
21 is being appealed.

22 MR. LEEDER: I noticed that you gave her \$75
23 for the sweater. Did you refund the \$80 for the
24 service? You gave her \$75 for the damage to her
25 sweater. Did she ask for her money back for the

1 service?

2 MR. CUNNINGHAM: No. I gave her that out of
3 my own pocket, not out of the salon, because the drape
4 or shampoo bowl got some color on her sweater and I was
5 just trying to be a good manager.

6 MR. LEEDER: You said that she came in about
7 eight times for the conditioning treatment?

8 MR. CUNNINGHAM: That is correct.

9 MR. LEEDER: Was that like over how much
10 time? What I'm trying to figure out is --

11 MR. CUNNINGHAM: A three-month period.

12 MR. LEEDER: So about every two weeks or so?

13 MR. CUNNINGHAM: Yes.

14 MR. LEEDER: Did she leave between those?

15 MR. CUNNINGHAM: Yes, for Costa Rica. And
16 also notice the photo she had shown you, she would
17 bring her young son who would sit on her lap while the
18 steamer was on, so it was not an unsafe situation.

19 The picture she showed says her son's first
20 birthday. It was well over one year old, it wasn't a
21 representation of how her hair was before.

22 MR. LEEDER: Mindy, how often did the
23 daughter come in for highlights and color and cuts
24 while you were doing the free conditioning treatments
25 on Ms. Webb?

1 MS. NELSON: To the best of my knowledge, I
 2 believe her daughter -- originally her daughter was my
 3 client first, and I would shampoo, blowdry and style
 4 her hair, and I would also cut, on occasion color and
 5 highlight.

6 MR. LEEDER: So Ms. Webb didn't have a
 7 problem with you continuing your licensed services?

8 MS. NELSON: No. Ms. Webb, after she had
 9 received the conditioning treatments from Anthony, so
 10 some time had gone by, and I received a phone call from
 11 her and she asked me if she came in if I would continue
 12 to do her hair color. And I said I haven't seen the
 13 condition of your hair, you're welcome to come to me
 14 and I will take a look at your hair, but I will not
 15 tell you over the phone whether I can color, apply
 16 color.

17 MR. LEEDER: So she was willing to receive
 18 licensed services from you despite this incident from a
 19 couple years earlier. And you continued to work with a
 20 family member.

21 MS. NELSON: Yes.

22 MR. LEEDER: And you gave her her money back
 23 and you gave her eight free treatments to help rectify
 24 the situation.

25 Did she at any time seem like that was good

1 or if that was acceptable to her, or did she continue
 2 to say this is not acceptable to me, you still need to
 3 try to rectify this original problem?

4 MS. NELSON: Not personally to me, she did
 5 not say that. She didn't end up showing up for the
 6 appointment that she booked to possibly have color
 7 done. She didn't show up that day and that's the last
 8 I heard.

9 MR. LEEDER: How much is a conditioning
 10 treatment?

11 MS. NELSON: Anywhere from \$32 to possibly
 12 more.

13 MR. LEEDER: Roughly for that client, how
 14 much would that charge have been? Times 8?

15 MR. CUNNINGHAM: Yeah. And her daughter did
 16 just recently stop coming to the salon after our court
 17 date, where she was getting Brazilian and eyebrow
 18 arches. Not that that has anything to do with it, but
 19 I am the cosmetologist in charge and providing a safe
 20 work environment.

21 CHAIRWOMAN LEWIS: Any other questions for --

22 MS. ALFA: I have a question.

23 This case has been handled in court. The
 24 only thing she's asking us to do is, "Therefore, I
 25 plead to the board of cosmetology that something needs

1 to be done to prevent somebody else from becoming a
 2 victim like me." So for us the case is closed. It was
 3 in court.

4 Do you want an apology from them? That's all
 5 you want?

6 MR. REED: Since it went to court, it does
 7 not preclude this board from taking any action at all
 8 under statutes.

9 MR. CUNNINGHAM: I would like the board to
 10 consider that this is one incident out of a thousand
 11 clients or possibly over 2,000 clients in the last two
 12 years. And I don't believe I've had any other
 13 complaints about my staff or myself.

14 MR. LEEDER: Mr. Cunningham, or is it Mindy?

15 MS. NELSON: Sure.

16 MR. LEEDER: Have either of you apologized to
 17 Ms. Webb?

18 MS. NELSON: Yes, I did. When she called
 19 that last time I was talking about and asked me if I
 20 would do her hair color, I said I'm sorry for your
 21 unhappiness, if there's anything I can do. And she
 22 said I don't hold you personally responsible, you
 23 suggested it was not the best treatment for me and I
 24 kind of pushed it -- this is speaking for her -- that
 25 she really wanted the relaxer done.

1 CHAIRWOMAN LEWIS: Ms. Webb, you said you had
 2 something you wanted to say before I take a motion.

3 MS. WEBB: Yes. This is not a matter,
 4 because some of the stuff that's being said here is not
 5 complete truth. I have my passport. I only have been
 6 out of the country two weeks between what happened to
 7 me and when I came back, and that's only time and then
 8 I stopped going to them in December. So I didn't go
 9 many time out of the country, I didn't use any horse
 10 product.

11 Maybe he misunderstood me. This is what I
 12 bought, this is a natural hair brush. That's what he
 13 is saying that I use that hair product. That's not
 14 true.

15 This is what I use. I have to buy a wig
 16 because of what they say. I have a lot of anxiety.
 17 It's not a matter of being felt good or bad. If
 18 something was done to me, to my hair, so something
 19 needs to be done.

20 This is one case. What happens somebody else
 21 has the same thing, but is not willing to come forward?
 22 Something have to be done.

23 Rule number 1 is don't do a relaxer when you
 24 have a highlight and when you have your hair dyed.
 25 Even on the TV you can hear that, and I didn't know

1 that until they did that to my hair.

2 It's not a matter of apology. You need to do
3 something.

4 MR. LEEDER: Does the Rusk product
5 specifically say do not use on highlight?

6 MR. CUNNINGHAM: No, it's directly for
7 highlighted and color treated hair. There's different
8 formulas.

9 MR. KELLY: Does it say bleached hair?

10 MS. NELSON: Yes, highlighted bleached or
11 highlighted tint.

12 MR. LEEDER: Was there any possible way that
13 you inadvertently used the wrong product?

14 MS. NELSON: I don't believe so, no, because
15 it's also on the box and it's on the jar. So they go
16 by like a number type system.

17 MS. WEBB: Excuse me. I also have -- I
18 stopped going with them because Mr. Cunningham threw me
19 out of the salon and said I was an evil woman, and I
20 can sue whoever I want.

21 That's why I did this. I can swear before
22 God that he did that. I can't say the words he said,
23 but I'm not going to repeat it in court.

24 He threw me out of the salon and he said
25 you're an evil woman, I don't want to do anything with

1 you anymore. So that's why I'm here, because they
2 cannot damage my hair, mistreat me, and expect nothing
3 to happen.

4 And I have a letter which I just gave to him.
5 I went back in December to another hairdresser here's
6 in Vegas, so she can help me with my problem, so I give
7 the letter to Ms. Thomas right now.

8 MR. CUNNINGHAM: So she's been seeing three
9 different hair dressers.

10 MS. WEBB: No.

11 MS. SCHULTZ: I would like to make a motion
12 at this time. I don't think that this was intentional
13 malpractice or accidental malpractice. I do think it
14 was unfair and unjust practice.

15 At this time I would like to make a motion
16 that we find Melinda Nelson and the manager of the
17 salon, John Cunningham, guilty of NRS644.430.1K, which
18 is unfair and unjust practice.

19 As a sanction, I would like to make a motion
20 that we put something in their file, and it would stay
21 in their file for a period of six months, and if it
22 happens again, then it will be brought back before the
23 board. With their clean record, I doubt that they will
24 be coming back before the board, but I think that would
25 be a fair sanction.

1 CHAIRWOMAN LEWIS: Is there a second to the
2 motion?

3 MR. KELLY: Seconded.

4 CHAIRWOMAN LEWIS: All right. It's been
5 moved and seconded that we find Melissa Nelson and John
6 Cunningham guilty of 430 -- 644.430.1K, unfair and
7 unjust practice, and that a note be put in their file
8 which will stay for six months, that this item coming
9 before the board, after which time it will be removed
10 if no other violations come to the board.

11 Is there a question on the motion?

12 MR. CUNNINGHAM: I have a question. Is that
13 me personally, or me as the manager of every
14 aesthetician, every cosmetologist in the salon, since
15 I'm the cosmetologist in charge?

16 MS. SCHULTZ: It's when you're involved in
17 one of the cases.

18 MR. CUNNINGHAM: For example, if an
19 aesthetician does a --

20 MR. LEEDER: That's the responsibility of
21 being a cosmetologist in charge, yes.

22 MR. CUNNINGHAM: Okay, I'm just evaluating
23 whether I want to keep that position.

24 MR. LEEDER: The manner in which you handled
25 this seems appropriate that you were the cosmetologist

1 in charge.

2 CHAIRWOMAN LEWIS: Any other questions?

3 MR. WALTHERS: I don't think it's a long
4 enough time, but that's just my personal thought.

5 MR. REED: I just want to clarify one thing.
6 This is -- this is under NRS644.430, and under number 1
7 it lists a number of grounds for discipline. Under 2,
8 if the board determines a violation of this section has
9 occurred, it may A, refuse to issue or renew a license;
10 revoke or suspend the license; C, place the licensee on
11 probation for a specified period; D, impose a fine not
12 to exceed \$3,000.

13 (Inaudible.)

14 This is -- it's in the nature of a reprimand
15 in a way, is what is being proposed. I don't see the
16 authority here for that kind of reprimand. It may be
17 appropriate.

18 MS. SCHULTZ: It's probationary period.
19 Six -- month probationary period.

20 MR. REED: If that's determined to be -- oh,
21 I see. You're determining that to be a probationary
22 period?

23 CHAIRWOMAN LEWIS: Yes. It would fit under
24 that.

25 MR. CUNNINGHAM: We have lost hours of work

1 over this.

2 CHAIRWOMAN LEWIS: All in favor of the
3 motion, please say aye.

4 (Ayes voiced.)

5 CHAIRWOMAN LEWIS: Opposed, say aye.

6 (Ayes voiced.)

7 CHAIRWOMAN LEWIS: Whoops. From what I'm
8 hearing, the motion did not carry. All in favor of the
9 motion, please raise your hands.

10 (Hands raised.)

11 CHAIRWOMAN LEWIS: All opposed to the motion,
12 please raise your hands.

13 (Hands raised.)

14 CHAIRWOMAN LEWIS: The motion fails.

15 May I have another motion, please?

16 MR. REED: Can I clarify one thing? The
17 motion was part of a dual thing where it was finding
18 guilt as well as punishment. You might want to
19 separate it out.

20 CHAIRWOMAN LEWIS: Could I have a motion as
21 to the guilt or innocence of the salon/stylist
22 supervising cosmetologist?

23 MS. SCHULTZ: I'll repeat my motion to find
24 them guilty of NRS 644.430.1K, unfair and unjust
25 practice.

1 CHAIRWOMAN LEWIS: Is there a second to that
2 motion?

3 MR. WALTHERS: I'll second that.

4 CHAIRWOMAN LEWIS: It has been moved and
5 seconded that we find the parties guilty of
6 NRS644.430.1K. Is there a question on that motion?

7 All in favor of the motion, please say aye.

8 (Ayes voiced.)

9 CHAIRWOMAN LEWIS: Opposed to the motion?

10 (Ayes voiced.)

11 CHAIRWOMAN LEWIS: All in favor of the
12 motion, please raise your hands.

13 (Hands raised.)

14 CHAIRWOMAN LEWIS: Opposed to the motion?

15 (Hands raised.)

16 CHAIRWOMAN LEWIS: I'm voting with the in
17 favors.

18 The next thing would be the punishment. May
19 I have a motion as to the punishment?

20 MR. LEEDER: I move that the respondent -- is
21 that -- no, the complainant has paid for any negligence
22 that may have been purported. And that the respondent
23 and the licensee, Ms. Nelson, just be free to go about
24 their day-to-day business.

25 CHAIRWOMAN LEWIS: You can't do that. Once

1 we have found that they're guilty, you have got to do
2 something under 2.

3 MR. LEEDER: Well, then they are subject to
4 that probationary period of the agreed time frame.

5 CHAIRWOMAN LEWIS: You can make it a month,
6 whatever you want.

7 MR. CUNNINGHAM: It's been two years.

8 MS. SCHULTZ: We can waive that. They waited
9 two years to come before the board.

10 Can we do that Mr. Reed?

11 MR. REED: It would appear that to place the
12 licensee on probation would have to be going forward
13 with a fine, but there's also a fine of up to three
14 thousand dollars.

15 CHAIRWOMAN LEWIS: You don't have to do that.

16 MR. REED: It could be a nominal fine.

17 CHAIRWOMAN LEWIS: Nominal and 30 days.

18 MR. LEEDER: So the motion is that both the
19 complainants, John Anthony Cunningham and Melinda
20 Nelson, pay a fine of one dollar.

21 CHAIRWOMAN LEWIS: Is there a second to that
22 motion?

23 The motion is lost for lack of a second. Is
24 there another motion?

25 MS. SCHULTZ: I don't see a problem with a

1 probationary period for 30 days. I would like to make
2 a motion that we put their licenses on a probationary
3 period for 30 days.

4 MS. NELSON: If I could address the board, I
5 would just like to say that please keep in mind that
6 this was not intentional.

7 MS. SCHULTZ: We know that.

8 CHAIRWOMAN LEWIS: Is there a second?

9 MR. WALTHERS: I second.

10 CHAIRWOMAN LEWIS: It's been moved and
11 properly seconded that we place their licenses on
12 probation for 30 days from this date and a notice of
13 violation. All in favor of the motion please aye. I'm
14 not asking for any more questions.

15 (Ayes voiced.)

16 CHAIRWOMAN LEWIS: All opposed to the motion?

17 (Ayes voiced.)

18 CHAIRWOMAN LEWIS: The motion carries. The
19 license will be placed on probation for 30 days.

20 Thank you very much.

21 We will do one more. We will do one more.

22 We have Vonnie Dagher versus Frantonia
23 Pollins.

24 MS. POLLINS: I am Frantonia Pollins, the
25 licensee.

1 CHAIRWOMAN LEWIS: Do we have Ms. Pollins
 2 here?
 3 MS. POLLINS: I'm Ms. Pollins.
 4 CHAIRWOMAN LEWIS: Is Ms. Dagher here?
 5 MR. WALTHERS: Has she been notified?
 6 MS. COOPER: She has been notified.
 7 CHAIRWOMAN LEWIS: She was notified on the --
 8 MS. SCHULTZ: I will make a motion that we
 9 dismiss it because the complainant is not present and
 10 it's well past her time to be present.
 11 MR. KELLY: I second.
 12 CHAIRWOMAN LEWIS: It's been moved and
 13 seconded that we dismiss the complaint because she --
 14 Ms. Dagher is not present. Is there a question on the
 15 motion?
 16 All in favor, please say aye.
 17 (Ayes voiced.)
 18 CHAIRWOMAN LEWIS: Opposed?
 19 Okay, now we still -- all right.
 20 MR. LEEDER: Thank you, Ms. Pollins.
 21 CHAIRWOMAN LEWIS: Thank you.
 22 Carolyn Havis versus Jackie Johnson-Wiens.
 23 Ms. Havis and Ms. Wiens here?
 24 MR. LEEDER: I have a quick question. So did
 25 that mean that Ms. Pollins did not pay any fine?

1 There's no fine, Ms. Pollins didn't have to pay a fine
 2 at all?
 3 MS. SCHULTZ: It was dismissed.
 4 MR. LEEDER: It was entirely dismissed. What
 5 I mean to say is, from the hearing officer point of
 6 view there will be a form that will come out, right?
 7 There will be a fact finding for this particular one?
 8 CHAIRWOMAN LEWIS: If she wants to
 9 re-petition that's fine.
 10 You are?
 11 MS. HAVIS: Ms. Havis.
 12 CHAIRWOMAN LEWIS: Ms. Havis, you are the
 13 complainant; is that correct?
 14 MS. HAVIS: Yes.
 15 CHAIRWOMAN LEWIS: Is Ms. Jackie
 16 Johnson-Wiens here?
 17 Would you state your name?
 18 MR. REED: Madam Chairman, you just want to
 19 make sure that the licensee is not here. I want to
 20 check.
 21 Can staff make sure that she did receive
 22 notice by certified mail 21 working days prior to this
 23 hearing?
 24 MS. COOPER: She did and we received it
 25 returned, and I turned around and sent it right back

1 out and we gave her the notice attached for 21 days.
2 She never sent back the paperwork, but we saw that she
3 received it.

4 MR. REED: But was she served beyond 21
5 working days with the notice to be here?

6 MS. COOPER: Beyond?

7 MR. REED: Yeah, 21 working days, which is
8 approximately 30 days.

9 MS. COOPER: Right. She was no served 30
10 days because we had the wrong address, so I looked up
11 her current address and resent it out. We got her
12 signature on the card, and then along with the notice
13 we sent the petition.

14 MR. REED: She did not send in the petition.

15 MS. COOPER: She did not send in the
16 petition.

17 MR. REED: Then I don't think you can go
18 forward today. She was not been served with notice.

19 CHAIRWOMAN LEWIS: So are you saying we
20 better to use Federal Express to go forward with these
21 things?

22 MR. REED: There's two ways, you can
23 personally serve it five working days before or serve
24 by mail 21 days.

25 CHAIRWOMAN LEWIS: So what does personally

1 served mean; UPS, Federal Express?

2 MR. LEEDER: Hand delivered. So what that
3 means, since staff did not receive the 21-day waiver,
4 they still have 16 days with which to do a hand
5 delivery in order to be compliant with today's meeting.

6 CHAIRWOMAN LEWIS: But we did not do that.

7 MS. ZESIGER: We did not know to do that.

8 MS. COOPER: She signed for her letter. So
9 inside the letter was you have 21 days.

10 CHAIRWOMAN LEWIS: But she did not send that
11 back.

12 MS. COOPER: She did not send back her
13 waiver.

14 CHAIRWOMAN LEWIS: I'm sorry. We have to
15 postpone it. We have not to followed the proper
16 procedure.

17 MR. WALTHERS: That's not your fault.

18 CHAIRWOMAN LEWIS: That's not your fault. We
19 are very sorry for that, but we have to postpone it.

20 MS. HAVIS: Okay. Do you have the pictures
21 that I gave to Angela Browne?

22 CHAIRWOMAN LEWIS: We don't have them in our
23 packet.

24 MS. COOPER: These are the ones here.

25 MS. HAVIS: When we go forward with this, I

1 want you to see how I looked before and after this was
2 done.
3 CHAIRWOMAN LEWIS: We don't have those
4 pictures, but I'm sure we will get them before the next
5 meeting.
6 MS. ALFA: The next meeting is in Reno.
7 CHAIRWOMAN LEWIS: So we can't hear this
8 until October then.
9 MS. HAVIS: So will I get something in the
10 mail again?
11 CHAIRWOMAN LEWIS: Yes.
12 MR. LEEDER: Thank you for your patience.
13 CHAIRWOMAN LEWIS: Next we have a hearing
14 Salon Fontana, Richard Fontana the owner requests a
15 hearing on a citation.
16 Are you Richard Fontana?
17 MS. FONTANA: I am.
18 CHAIRWOMAN LEWIS: And Susan Padilla who
19 issued this, would you state your name.
20 MS. PADILLA: Susan Padilla, southern Nevada
21 inspector, level II.
22 MS. FONTANA: Richard Fontana, owner of the
23 salon.
24 ///
25 ///

1 Thereupon--
2 SUSAN PADILLA,
3 was called as a witness, and having been first duly
4 sworn, was examined and testified as follows:
5 Thereupon--
6 RICHARD FONTANA,
7 was called as a witness, and having been first duly
8 sworn, was examined and testified as follows:
9 CHAIRWOMAN LEWIS: Susan.
10 MS. PADILLA: On April 5, 2006, during a
11 first inspection of Salon Fontana located at 2100
12 Olympic Avenue, Henderson, Nevada 89014, I Susan
13 Padilla observed that the floor tiles had been removed
14 and the floor was porous. At the time of the
15 inspection, the salon was opening and operating.
16 I did issue citation SP256 to the owner for a
17 violation of NAC644.325.1. It was a first offense.
18 It's a hundred dollar fine in accordance with the
19 board's fining system.
20 MS. SCHULTZ: This was their very first open,
21 correct?
22 MS. PADILLA: Correct. It was an ownership
23 change.
24 MS. SCHULTZ: Then you went back in five
25 days?

1 MS. PADILLA: Yes.
2 MS. SCHULTZ: Did they comply in the five
3 days?
4 MS. PADILLA: Yes.
5 MS. SCHULTZ: Why did you open them?
6 MS. PADILLA: When they go over the
7 checklist --
8 MS. SCHULTZ: I understand that, but when you
9 go out and they don't have everything in place, you
10 normally don't open them.
11 MS. PADILLA: That's why they were issued the
12 hundred dollar citation, because it wasn't as stated
13 when they went over the checklist.
14 MS. COOPER: Currently the procedure for the
15 opening of a salon is that they call in and go over the
16 checklist. We don't physically go out there. We have
17 90 days to give them their first inspection.
18 MS. SCHULTZ: Gotcha. Got it.
19 MR. LEEDER: So it's on the honor system. So
20 we were being told that something was in order, and
21 then we did a physical inspection and it happened not
22 to be true.
23 MS. COOPER: That is correct.
24 MS. SCHULTZ: Okay.
25 MS. FONTANA: Okay. I recognize the citation

1 and I guess I'm guilty. I built the salon 12 years
2 ago, sold it four years ago and bought it back March
3 1st. When I did call in, everything was up to NRS
4 statute.
5 The reason for my appealing the citation,
6 I've got a clean slate doing hair for 20 years, twelve
7 years in Clark County. I've owned several salons.
8 When I purchased the salon back it was in need of
9 remodeling, so as of April 1st, actually well before
10 April 1st, we had a staff meeting and booked out
11 accordingly to the schedule that we would do the
12 remodeling of the tile.
13 April 1st start the demolition that evening,
14 which is a Saturday night, and we planned on having
15 tile removed that night and then do the tile, re-lay
16 the tile Sunday and Monday. Of course, remodeling was
17 delayed.
18 Ripping out the tile, it was previously laid
19 12 years ago with a product called Liquid Nails, and it
20 was very difficult to get up. I had a crew of about
21 four people trying to get this tile up in 7,000 square
22 foot. So we are closed Sunday, Monday, and we closed
23 additionally Tuesday, figuring that the job would be
24 completed.
25 Well, it wasn't completed. Ms. Padilla came

1 in Wednesday, and we do not inconvenience clients and
 2 the staff any longer, and I guess ignorance of my own
 3 that we opened up thinking that it would be done that
 4 evening. And that's what brings me here today. So I'm
 5 just putting myself in front of you guys just to have
 6 mercy, just to have a clean slate on this.

7 MR. WALTHERS: Pay a hundred dollars and
 8 you'll have a clean slate.

9 MS. FONTANA: Is that it? It's not going to
 10 be on my record for six months?

11 MR. LEEDER: Well, if you received a second
 12 offense, then it would. The first offense will remain
 13 on your record in the sense that you don't want to
 14 receive this offense again.

15 MS. SCHULTZ: The same offense again.

16 I make a motion we find him guilty of
 17 NAC644.325.1 and assess a fine of -- let me find him
 18 guilty first.

19 MR. WALTHERS: I'll second it.

20 CHAIRWOMAN LEWIS: It's been moved and
 21 seconded that Salon Fontana be found guilty of
 22 violation of NAC644.325.1. Is there a question on the
 23 motion?

24 All in favor of the motion, please say aye.

25 (Ayes voiced.)

1 CHAIRWOMAN LEWIS: Opposed?

2 MS. SCHULTZ: And he needs to be assessed the
 3 first offense fine of a hundred dollars.

4 CHAIRWOMAN LEWIS: Is there a second?

5 MR. WALTHERS: I second.

6 CHAIRWOMAN LEWIS: It's been moved and
 7 seconded that he be assessed a first offense fine of a
 8 hundred dollars.

9 MR. LEEDER: And he will be reinspected.

10 MS. PADILLA: They already have been
 11 reinspected.

12 MS. ZESIGER: Do they have a period of time
 13 to pay it?

14 CHAIRWOMAN LEWIS: All in favor of the
 15 motion, please say aye.

16 (Ayes voiced.)

17 CHAIRWOMAN LEWIS: Opposed?

18 Thank you very much.

19 Next we have Nail Flex, Leonardo Trung Vu
 20 requests a hearing. Ms. Padilla, you've already been
 21 sworn.

22 Will you please state your name, please.

23 MR. VU: Leonardo Trung Vu. Leonardo.
 24 Middle name Trung, last name is Vu.

25 Thereupon--

1 LEONARDO TRUNG VU,
2 was called as a witness, and having been first duly
3 sworn, was examined and testified as follows:
4 CHAIRWOMAN LEWIS: You have been affirmed.
5 Ms. Padilla, will you tell us what this situation is?
6 MS. PADILLA: On April 19, 2006, during an
7 inspection of Nail Flex located at 410 Marks Street,
8 Suite 110, Henderson, Nevada 89014, I observed that the
9 salon was opening and operating without an
10 establishment license. It was an unlicensed salon.
11 Citation SP268 was issued to the owner for
12 violation of 190.1. It was his first offense. It's a
13 one thousand dollar fine in accordance with the board's
14 fining system.
15 He failed to follow through with his
16 application process. When they are given an
17 application, this front cover sheet is assessed with
18 the application. It tells them step-by-step what they
19 need to do, they need to contact the inspectors, review
20 the checklist, and then at that time the license will
21 be issued.
22 It does state down here that no license -- a
23 salon cannot operate until a license has been issued to
24 them. So the application was in our office for some
25 time, but nothing else was done with it.

1 CHAIRWOMAN LEWIS: What do you mean by that?
2 MS. PADILLA: He submitted the application.
3 On that route, when I did that route, that salon was
4 there so I went into it to go do an inspection and
5 there was no establishment license. We never issued
6 him one.
7 MS. SCHULTZ: So he applied, but he didn't
8 follow through with opening of it?
9 MS. PADILLA: Correct. And there was a
10 situation that also occurred inside the establishment.
11 MS. SCHULTZ: We will get to that in a
12 second.
13 MR. LEEDER: What was the date of that
14 application, the establishment application license?
15 MS. PADILLA: What was the date he submitted
16 that?
17 MR. LEEDER: For the establishment license.
18 MS. PADILLA: I really can't give you an
19 honest answer. That application file has been sent to
20 Peel for scanning, but to my recollection it was
21 sometime in June.
22 MR. LEEDER: Of '05?
23 MS. PADILLA: Yes.
24 MR. LEEDER: Were you aware that you were
25 operating without an establishment license?

1 MR. VU: When I filled out the application,
2 as you know sometime in the fall when it was opened,
3 and when I asked for the application they give it to
4 me, all they told me was you have this part, that part.
5 That's all they told me and I just fill out all the
6 part that I was told. And I filled it out, I wrote a
7 check for I remember 175 with that application coming
8 back to them in June of '05, and they never told me
9 anything about, you know, this paper to read. I didn't
10 know that.

11 I didn't know how the system worked and I
12 fill out the part they told me to fill it out and send
13 it out with money order. And I was waiting for them to
14 issue me a license to open business, and I thought, you
15 know, that they already sent it to me. I didn't know
16 how the system worked because they didn't tell me to be
17 to read anything. They just pass me this part, that
18 part and I was waiting.

19 And one day she came back and she check on
20 the salon and she say that I have no license, and she
21 give me citation for a thousand dollars which I have no
22 knowledge about system before. I didn't know how the
23 system work.

24 MR. LEEDER: How much was your application
25 fee?

1 MR. VU: I believe it was 175.

2 MR. LEEDER: So we have an undisbursed \$175
3 that we deposited?

4 Would we be able to research that, that we
5 took somebody's money but didn't give them a license?
6 I mean, did we deposit somebody's money?

7 MS. PADILLA: What happens is once the
8 application is submitted to the front office, they pay
9 the front office, they give us the application, it's up
10 to the salon owner to give us a call when they are
11 ready when the salon has been constructed.

12 They physically checked everything in there,
13 the hot water is working, the floors are nonporous,
14 nonabsorbent, and at this time we issue the license to
15 them. Sometimes we get the application in three months
16 in advance, sometimes we get it a week in advance, but
17 that's why we give them this thing telling them to
18 please call us for issuance of license.

19 MS. SCHULTZ: Do they still get a checklist?

20 MS. PADILLA: They do.

21 MS. ZESIGER: When was the salon opened?

22 MR. VU: It open just two days before she
23 came down and check, which I believe was on the 17th of
24 April.

25 MR. KELLY: Do you have a receipt, Mr. Vu, of

1 your check?

2 MR. VU: I don't have it with me, but I have
3 it at home. I would be more than happy to look it up
4 and provide it to you. I mean, because I do have it.

5 CHAIRWOMAN LEWIS: When are you saying you
6 submitted that?

7 MR. VU: I believe sometime in June of --

8 CHAIRWOMAN LEWIS: June of last year.

9 MR. VU: June of 2005.

10 CHAIRWOMAN LEWIS: But you didn't open until
11 2006.

12 MR. VU: Well, because the construction is
13 going on. I just filled it out and I sent it in. I
14 thought it takes a long time for the board to issue a
15 license, so I just fill it out in advance and it took
16 me about like three months to do construction. So I
17 got a key from the landlord sometime in late January
18 '06, and it takes about three months to build up.

19 MS. SCHULTZ: Did you go to school in Nevada?

20 MR. VU: No, I did not.

21 MS. SCHULTZ: Where did you go to school?

22 MR. VU: For the American license?

23 MS. SCHULTZ: Um-hum.

24 MR. VU: California.

25 MS. SCHULTZ: When you came to Nevada, did

1 you have to take a written exam?

2 MR. VU: Yes, I did, ma'am.

3 MS. SCHULTZ: Did you at that time ask for a
4 law book for the state of Nevada?

5 MR. VU: I'm sorry, say that again.

6 MS. SCHULTZ: Did you get a law book for the
7 state of Nevada?

8 Did you ask to purchase a law book to
9 understand the laws for the state of Nevada?

10 MR. VU: I did not have that book.

11 MS. SCHULTZ: That's your obligation to get
12 that, because all states are different. You move to
13 another state, you have to get their law book.

14 MR. VU: Right. And I didn't know that I can
15 get that book and that's why --

16 MS. COOPER: Yes, Mr. Vu, when I first met
17 him in Reno, that was the first time that I met him.
18 He would come into the office and discuss Nevada law
19 with us, ask us a million questions. He was actually
20 there on one particular day where I said look, it's
21 after 5:00, Jill and I need to finish our work, we need
22 to leave. And we did tell him about the Nevada law
23 book and he did know that there was a Nevada law book
24 available, and we did let him read on more than enough
25 occasions.

1 And I may or may not be able to go back to
 2 our receipt books in Reno if he did purchase one or
 3 not, I can find out as well.
 4 MR. VU: But like I say, I didn't know.
 5 MS. SCHULTZ: But it's the law.
 6 MS. COOPER: It is.
 7 MS. ZESIGER: You paid \$200 on the 1,000, so
 8 you paid the 200, but you still requested to come in
 9 front of us?
 10 MR. VU: No, I didn't pay anything, because I
 11 didn't understand.
 12 MR. LEEDER: That's my writing.
 13 MS. ZESIGER: That's what you're asking him
 14 to do?
 15 MR. LEEDER: I show that he paid \$200.
 16 MS. ZESIGER: Have you paid anything on this
 17 fine?
 18 MR. VU: No, I have not.
 19 MS. COOPER: And April the 20th, we have \$200
 20 unlicensed person. So he paid --
 21 CHAIRWOMAN LEWIS: That's the next one.
 22 MS. ZESIGER: So this was on the wrong one
 23 then.
 24 MS. SCHULTZ: I would like to make a motion
 25 that we find Mr. Leonardo --

1 CHAIRWOMAN LEWIS: Just a minute,
 2 Mr. Leonardo wants to say something.
 3 MS. SCHULTZ: Okay.
 4 MR. VU: As far as I feel like I didn't
 5 understand system, how does it work, and it is -- I
 6 feel like it is kind of unfair for me to get this
 7 citation because they didn't tell me what I was
 8 supposed to do.
 9 Like I said, before they told me to fill out
 10 this part, the part that needs to be filled out and
 11 send the money back with the application, which I did.
 12 And that's all I was told, and that's what I did,
 13 exactly what I was told. I didn't know that I have
 14 to -- they didn't tell me what I need to do after that.
 15 So that's the reason why I didn't know that what I was
 16 to do next is call in to do what you call checklist.
 17 So I was waiting for them to issue me the license, open
 18 the salon.
 19 MR. WALTHERS: Can you read English? Can you
 20 read the law book?
 21 MR. VU: I can read, but like I say, I don't
 22 know how the system work and I didn't know that.
 23 MS. SCHULTZ: If you don't know the system
 24 you get the book.
 25 MR. VU: I didn't know I could get the book

1 either.

2 MR. WALTHERS: Are you familiar with the laws
3 now?

4 MR. VU: Well, I am now, but before that I
5 didn't understand how the system work. I did whatever
6 they told me.

7 MS. PADILLA: That's why we put that on the
8 application, so there's no confusion. It's the first
9 page of the application.

10 CHAIRWOMAN LEWIS: It is on the application.

11 MS. SCHULTZ: I don't think ignorance is any
12 excuse for breaking the law. I would like to make a
13 motion that we find Mr. Leonardo Trung Vu guilty of
14 NRS644.190.1.

15 CHAIRWOMAN LEWIS: Is there a second to that
16 motion?

17 It's been moved and properly seconded by Ms. Zesiger that we
18 find Mr. Leonardo Trung Vu in violation of 644.190.1.

19 Is there any question on the motion?

20 All in favor of the motion, please say aye.

21 (Ayes voiced.)

22 CHAIRWOMAN LEWIS: All opposed? Okay.

23 MS. SCHULTZ: We could have also cited him on
24 290, so I understand you're being lenient.

25 MS. PADILLA: He was issued another citation

1 the same day.

2 CHAIRWOMAN LEWIS: And the fine for the first
3 violation of that is --

4 MS. SCHULTZ: I make a motion that we assess
5 a first offense fine of \$1,000. He can set up payment
6 plan with the office staff. Let's say pay within six
7 months. Is that fair? Is that normal?

8 MS. COOPER: Yeah.

9 CHAIRWOMAN LEWIS: Is there a second to that
10 motion?

11 MS. ZESIGER: I'll second.

12 CHAIRWOMAN LEWIS: It's been moved and
13 seconded that we fine Mr. Trung Vu one thousand dollars
14 in violation of --

15 MR. WALTHERS: What is this 200 that he's
16 paid?

17 CHAIRWOMAN LEWIS: That's another one.
18 That's a second unlicensed.

19 And that the fine of \$1,000 be paid over a
20 period of six months.

21 All in favor of the motion, please say aye.

22 (Ayes voiced.)

23 CHAIRWOMAN LEWIS: Opposed?

24 All right. We have a second violation.

25 Do you want to tell us about that?

1 MS. PADILLA: He was issued the same day at
 2 the same location, a citation for having an unlicensed
 3 person performing a manicure service on the public at
 4 the time of that inspection. He was also issued a
 5 thousand dollar fine for that as well.

6 MS. SCHULTZ: Now, you knew that was wrong,
 7 Mr. Trung.

8 CHAIRWOMAN LEWIS: You paid that one.

9 MR. LEEDER: Is that person since licensed?

10 MR. VU: Well, he is licensed, but as soon as
 11 she tell him that day, they did sent him the license on
 12 that day, but the mail go to his address. He was at
 13 work, so he did have the license, but he didn't have it
 14 on him. So they consider that he did not have license.
 15 But, in fact, Susan did call to the state or here and
 16 verify that, and they told her that yes, they did issue
 17 him a license.

18 MS. SCHULTZ: He had just passed the test.

19 MR. VU: They mailed it to him on that day.
 20 He went home that day, he called me up that he did get
 21 his license in his mailbox that day that he got fined.

22 CHAIRWOMAN LEWIS: But he didn't have one at
 23 the time.

24 MS. PADILLA: When I called the office, they
 25 said they just made his about five, ten minutes, and

1 it's going in the mail.

2 CHAIRWOMAN LEWIS: So he didn't have a
 3 license.

4 MR. VU: He did have a license.

5 MS. ZEGIGER: Did you pay the 200 or did he?

6 MR. VU: I paid for him.

7 MR. WALTHERS: You're a good boss.

8 CHAIRWOMAN LEWIS: Can I have a motion on
 9 that, please?

10 MS. SCHULTZ: I'll make a motion.

11 MR. VU: But he is responsible for that, but
 12 I feel it's part of my fault too.

13 MS. SCHULTZ: Well, you're only supposed to
 14 employ licensed people, though.

15 MR. VU: But he told me that he took the test
 16 and he did pass the test and he waiting to get his
 17 license.

18 MS. SCHULTZ: The citation is against the
 19 salon owner.

20 MS. PADILLA: One was issued to the
 21 unlicensed person as well.

22 MS. SCHULTZ: That's NRS644.190.1, correct?

23 MS. PADILLA: 190.2 and 360.2.

24 MS. SCHULTZ: I would like to make a motion
 25 that we find Leonardo Trung Vu guilty of NRS644.190.2

1 and NRS644.430.1A and A. No, never mind, just 190.2.
 2 That's my motion.
 3 MR. KELLY: Second.
 4 CHAIRWOMAN LEWIS: Is there a question? It's
 5 been moved and seconded that we find Leonardo Trung Vu,
 6 this is a salon --
 7 MS. PADILLA: It's a 360.2 to the salon.
 8 CHAIRWOMAN LEWIS: 360 to the salon.
 9 MS. SCHULTZ: 360.2. I will take the motion
 10 back and make a new motion that we find him guilty of
 11 NRS644.360.2.
 12 CHAIRWOMAN LEWIS: Is there a second.
 13 MR. KELLY: Second.
 14 CHAIRWOMAN LEWIS: It's been moved and
 15 seconded that we find Leonardo Trung Vu guilty of
 16 violation of 644.360.2, operating of -- having an
 17 unlicensed person working in their salon. Is there a
 18 question on the motion?
 19 All in favor of the motion, please say aye.
 20 (Ayes voiced.)
 21 CHAIRWOMAN LEWIS: Opposed?
 22 May I have a motion on the fine, please.
 23 MS. SCHULTZ: I make a motion of a first
 24 offense fine of one thousand dollars to be paid within
 25 a six-month period.

1 CHAIRWOMAN LEWIS: Is there a second on the
 2 motion?
 3 MS. ZESIGER: I second.
 4 CHAIRWOMAN LEWIS: It's been moved by
 5 Ms. Schultz and seconded by Ms. Zesiger that we fine
 6 Mr. Trung Vu a thousand dollars for having an
 7 unlicensed person working in the salon. Is there a
 8 question on the motion?
 9 MR. LEEDER: And just to recognize that he
 10 has paid \$200.
 11 CHAIRWOMAN LEWIS: The \$200 was he paid for
 12 the other person.
 13 MS. ZESIGER: So he owes \$2,000.
 14 CHAIRWOMAN LEWIS: Is there a question on the
 15 motion?
 16 MR. REED: I just want to make sure that
 17 these fines are under the old regulations and not new
 18 ones.
 19 MS. SCHULTZ: Yes.
 20 MR. REED: I just wanted to clarify that.
 21 CHAIRWOMAN LEWIS: Okay. All in favor,
 22 please say aye.
 23 (Ayes voiced.)
 24 CHAIRWOMAN LEWIS: Opposed?
 25 Thank you very much.

1 MR. VU: So how much exactly is the total I
2 need to pay?
3 MS. SCHULTZ: \$2,000.
4 CHAIRWOMAN LEWIS: \$2,000.
5 MR. KELLY: Minus \$200.
6 CHAIRWOMAN LEWIS: No, he paid the 200 for
7 one of his employees. You got fined for owning without
8 a license and you got fined for having an unlicensed
9 person working in your salon.
10 MS. SCHULTZ: And I would invest six bucks
11 now --
12 MS. COOPER: Ten.
13 MS. SCHULTZ: -- and get a law book.
14 MS. ZESIGER: You've got six months. So set
15 up payment with the office.
16 CHAIRWOMAN LEWIS: We have next on the agenda
17 is Alexandra Beauty Salon, Alexandra Hair by Noel, Inc.
18 requesting a hearing on the citation.
19 Please state your name for the record.
20 MR. I. BASCALU: Ilan Bascalu.
21 CHAIRWOMAN LEWIS: Spell it, please.
22 MR. I. BASCALU: I-l-a-n, last name
23 B-a-s-c-a-l-u.
24 MR. N. BASCALU: Noel, I'm the same,
25 B-a-s-c-a-l-u.

1 CHAIRWOMAN LEWIS: And Ms. Padilla who is
2 here representing the Nevada State Board of
3 Cosmetology.
4 MS. PADILLA: On February 28, 2006, during a
5 routine inspection of Alexandra Beauty Salon located at
6 3555 South Las Vegas Boulevard, number BS, inside the
7 Flamingo Hilton, Las Vegas, Nevada 89109, I Susan
8 Padilla observed a barber area that was not separated
9 and apart from the cosmetology area with walls at least
10 six feet high and a door that can be locked.
11 I did issue citation SP242 to the owner for a
12 violation of NAC644.307. It's a first offense. It's a
13 hundred dollar fine in accordance with the board's
14 fining system.
15 Basically I did issue a personal warning the
16 last time I did an inspection of the establishment, and
17 when I went back on that date, it was not complied
18 with.
19 CHAIRWOMAN LEWIS: So you had issued a
20 warning on this?
21 MS. PADILLA: I had issued a warning last
22 time I did a physical inspection of the establishment,
23 and when I went back on February 28, 2006 to do another
24 routine inspection it was not complied with.
25 MS. SCHULTZ: So they blew you off?

1 MR. I. BACALU: Not true. If I may speak.
 2 Good day, gentlemen, ladies. We have been open -- our
 3 salon, we reconstructed our salon in the Flamingo Hotel
 4 about two and a half years ago. From that date, our
 5 architect actually submitted everything to the
 6 cosmetology board.
 7 MS. ALFA: You need to swear in first.
 8 CHAIRWOMAN LEWIS: Forgot to swear you in.
 9 Thereupon--
 10 ILAN BASCALU,
 11 was called as a witness, and having been first duly
 12 sworn, was examined and testified as follows: .
 13 Thereupon--
 14 NOEL BASCALU,
 15 was called as a witness, and having been first duly
 16 sworn, was examined and testified as follows:
 17 CHAIRWOMAN LEWIS: Go ahead.
 18 MR. I. BACALU: So when we remodeled and
 19 reopened, we actually moved our location from the
 20 previous location in the hotel. We had an architect
 21 design everything out for us and submit everything to
 22 the cosmetology board and barber board. So when we
 23 opened, we got the license to open, everything was
 24 fine. We actually had inspectors come to the salon and
 25 take a look and everything was fine.

1 Now, we have never been cited. We have been
 2 in business twelve years. We have three salons on the
 3 Las Vegas Strip and we are always in good compliance
 4 with the cosmetology board and barber board.
 5 If I can show you these pictures, too.
 6 Actually, I would say about seven, eight months after
 7 we opened Miss Annie Curtis called me, and had spoken
 8 to me about there needs to be some sort of divider
 9 between the barber and the beauty salon because when
 10 you walk in you need two separations, so we had kind of
 11 a miscommunication. She had said something metal or
 12 some sort of divider, not a wall or anything like that
 13 or an actual door.
 14 So I submitted something in writing to her
 15 and I faxed it to her saying I will comply, and which I
 16 did, and that was the last I've heard of it.
 17 Now, from what understand, the cosmetology
 18 board needs to submit an inspector within five to ten
 19 days after something like that happens just to make
 20 sure that you comply with the rules. And I guess they
 21 had sent an inspector and everything was fine and I
 22 never heard anything until the very first time
 23 Ms. Padilla came to the salon, which was two and a half
 24 years after we had opened the salon.
 25 Doing something like this right now, having

1 to put an actual door or anything like that, because
 2 it's going to involve having to bring the hotel in,
 3 maybe even close the salon, is something we are going
 4 to try not to do, and I'm going to ask the board to
 5 take a look at this and take a look at the front
 6 entrance of the salon and barber shop, and you can see
 7 the impression leaves -- somebody can see when they
 8 walk in that that's the beauty salon and that's the
 9 barber shop completely separation.

10 There's an actual door in the back, too. As
 11 you can tell from these pictures, I'm going to give
 12 each of you to take a look, this is in the back of the
 13 salon which separates the barber shop from the beauty
 14 salon. So -- and also the barber shop -- you can tell
 15 I've got this picture here which I'm going give to you
 16 guys.

17 MS. ZESIGER: We have been inspecting this
 18 two and a half years and nobody's caught that?

19 MR. I. BACALU: Correct.

20 MS. PADILLA: Basically, when I did the first
 21 inspection there was some issues. I did write under
 22 345, there was some construction, and some room was
 23 being used for storage. I did issue a first warning.
 24 I did put that there was questions on salon layout, and
 25 will check floor plan and call owner on Tuesday and

1 reinspect.

2 There's a note on here, check floor plan.
 3 Walls, doors, need to be installed separating salon
 4 from barber shop. Salon also need sink installed on
 5 salon side. AC called person in charge, barber area
 6 has facial room with wax pot in it. Barbers can do
 7 facials, but not waxing. Barber Board inspection
 8 posted, stated everything was okay. Area needs to be
 9 walled off.

10 MR. I. BACALU: She's a cosmetologist and
 11 barber, she has two licenses. She's a barber, but she
 12 also has a cosmetology license.

13 MS. ALFA: That was your first inspection?

14 MS. PADILLA: That was our first inspection,
 15 so after we came back to the office and checked the
 16 floor plan, that's when they were called and stated
 17 that the wax pot needs to be removed from the barber
 18 area and put back on the cosmetology side out of their
 19 facial room, and that they need to do some separating
 20 of walls off, doors off.

21 Now, I had went back in there. I don't have
 22 that inspection sheet and I don't know who went in
 23 before or after me. I don't know because that file has
 24 been sent to Peel and we don't have that back yet, but
 25 when I went in there I did tell them that they need to

1 separate and with walls or doors.

2 I gave them suggestions, perhaps a cage or
3 something that's not making the impression that it's,
4 you know, one whole business. And gave them a first
5 and only warning.

6 Now, when I went back on February 28th and
7 saw that nothing has been done, that's when I issued
8 the citation.

9 MR. I. BACALU: You know, we were going to
10 comply --

11 MR. N. BACALU: May I say something with my
12 broken English?

13 I want to understand why I was permitted to
14 open my salon based on you guys cosmetology board and
15 barber board, everything was kosher. You can see the
16 pictures, it's completely separate, the barber with the
17 cosmetology board, and suddenly after almost three
18 years I not kosher anymore.

19 That's what I want to find, how I open the
20 salon because I build it from zero. And based on the
21 regulation with you guys and the barber board, I got
22 the architect, I got all the also licensing and I open
23 based on that, because I build it from zero to the most
24 beautiful salon on the Strip.

25 Now, you know, we cannot change the roads

1 from today to tomorrow to nothing.

2 MR. I. BACALU: Also in NAC644.307, and I'm
3 not sure if this pertains to us, because it talks about
4 the owner of a cosmetological establishment in a leased
5 space only to a licensed manicurist, but it also says
6 on item C, it's otherwise located to avoid creating the
7 impression that the area is part of the cosmetological
8 establishment.

9 Now, if I may say, if you look at the salon,
10 if you look at the pictures, you can see that the
11 impression that it leaves with the client that walks in
12 is that it's separated.

13 MR. N. BACALU: Complete separation. There
14 is the barber, middle is reception area. Completely
15 separate.

16 MR. I. BACALU: Also from the back we did
17 provide a door that does separates the barber from the
18 beauty salon. You know, there's no way know that you
19 can go, the men go to the barber, the women go to the
20 beauty salon, and it's separated left, right, and
21 that's how people walk in.

22 Having to actually place a door, it's going
23 to make it look completely different. It's going to
24 make it look awkward from what it was before. We
25 opened it under those conditions and we got approved

1 for it. We had inspectors come every few months to
2 take a look.

3 MR. N. BACALU: Everything okay, then
4 suddenly it was not.

5 MR. I. BACALU: Everything was fine and we
6 went about with business until this came about.

7 MR. LEEDER: Susan, did you have a chance to
8 look at the original application floor plan?

9 MS. PADILLA: Um-hum.

10 MR. LEEDER: Did it appear that the space was
11 being used as is was drawn on that original
12 application?

13 MS. PADILLA: On the original application, I
14 do believe there was a door. Like I said, I don't have
15 that. It was sent to Peel for scanning. But there's
16 been conversation between the salon and Annie Curtis
17 regarding what needs to be done as well as me doing
18 this citation, from the very beginning. From the
19 time -- it's not like it just occurred -- you know,
20 after three years. It occurred after the first
21 inspection, there's been conversation.

22 MR. LEEDER: When you submitted the original
23 floor plan for the original establishment license, did
24 you mark any design changes upon the --

25 MR. I. BACALU: No. It was an actual

1 opening.

2 MR. LEEDER: So the floor plan that we have
3 on file should match the floor plan that's going on
4 right now?

5 MR. I. BACALU: Yes. And right now having to
6 actually -- the hotel has approved everything. Having
7 to bring Harrah's Corp. into it and having to do any
8 kind of changes, maybe even close down for the simple
9 fact that -- I don't even know the real reason.

10 If you as the board can explain to me why the
11 laws are set up to the point where I need to put a door
12 over there when there is an impression that there is a
13 separation, if you can explain that to me, because I'm
14 trying to read it under the law and trying to
15 understand why we need to do it that way.

16 MR. N. BACALU: It's completely separate.

17 MS. SCHULTZ: The only problem here is the
18 jurisdiction, who has jurisdiction over what area and
19 if that's easily defined.

20 MR. I. BACALU: When you walk into the barber
21 shops, we have completely decorated it as a men's
22 barber shop.

23 MS. SCHULTZ: And you don't have
24 cosmetologists on the barber side?

25 MR. I. BACALU: Well, I do have

1 barber/cosmetologist. She has two licenses.

2 MR. N. BACALU: When she went to work she has
3 two license. She wants to work as a barber, she works
4 as a barber. When she wants to go be a cosmetologist,
5 she works under the license of beautician.

6 MR. I. BACALU: She doesn't actually perform
7 any cosmetology on the barber side. I will remove the
8 wax machine, but she does waxes on men in there.

9 MR. LEEDER: It sounds like you've giving us
10 two pieces of information, because on the one hand you
11 are telling us there's a very clear distinction between
12 the cosmetologist side and barber side, but now it
13 doesn't sound like there's such a clear distinction
14 because there's an employee carrying dual licensing.

15 MR. I. BACALU: That's because she said there
16 was a wax machine in her facial room.

17 MR. LEEDER: Then you said you're going to
18 have that wax pot removed.

19 MR. I. BACALU: Well, if she wants us to,
20 because --

21 MR. LEEDER: When you have a wax pot, it
22 implies that cosmetology services are being performed
23 there.

24 MS. PADILLA: Barbers aren't allowed to wax.

25 MR. I. BACALU: But she does have a

1 cosmetology license.

2 MR. LEEDER: There's a little inconsistency.
3 So the confusion that you're bringing to our attention
4 is also the confusion that the public could also be
5 subjected to as well. So do you see?

6 MR. I. BACALU: Sure, correct, I absolutely
7 see that. But I do want you to know, if it's down to a
8 wax machine, by all means I'll move that.

9 MS. ZESIGER: She has two stations.

10 MR. I. BACALU: Correct. We actually have 11
11 stations in the salon. She moves always. She has a
12 little roll-about and she moves over to the other side
13 and does women over there.

14 That's not a problem. If you look at the
15 pictures, you can see the court on the barber side is
16 completely for a barber shop and you can see that the
17 other side is a beauty salon.

18 MS. SCHULTZ: I couldn't tell that much by
19 those.

20 MR. I. BACALU: There was actually a picture.

21 MS. SCHULTZ: Can you tell, Susan?

22 MS. PADILLA: As you go in one area through
23 the front door, and there's a front desk, and then
24 there's a common waiting area for men, women, children.

25 MS. SCHULTZ: Can you tell which is what?

1 MS. PADILLA: There is a wall down the side.
2 This is the barber side. There's no door here and
3 there's no door here. Cosmetology is usually done on
4 this side and barbering usually done on this side. The
5 only thing lacking is the door separating from the
6 barber area either here or the cosmetology side here,
7 stating that it's totally separated and apart.
8 CHAIRWOMAN LEWIS: Are you saying there's a
9 wall?
10 MS. PADILLA: There's a wall going down the
11 middle of it, and here's the barber side.
12 MS. SCHULTZ: You're thinking door because
13 of?
14 MS. PADILLA: I'm thinking door because we
15 construe that as a salon, the whole thing. Any other
16 business needs to be separated and apart with walls at
17 least six feet high and a door that can be locked. The
18 barber side, the walls are six feet high, but it has no
19 door that can be locked in the front, or the
20 cosmetology side does not have a door that can be
21 locked, separating them apart.
22 MR. WALTHERS: What's this little roped off
23 thing?
24 MR. I. BACALU: That's what we created at the
25 beginning.

1 MR. WALTHERS: That's your door.
2 MS. ALFA: Why did they give you a license
3 first day?
4 MR. N. BACALU: That's the question.
5 MS. PADILLA: We do that on the honor system,
6 where they go over the checklist stating everything is
7 clean, operable, in good repair. Upon the first
8 inspection, that's when things are noted.
9 CHAIRWOMAN LEWIS: How many years have they
10 been licensed?
11 MS. PADILLA: Well, the first inspection
12 actually was done on June 4, 2004. And on June 8th a
13 phone call was made to them stating that barber area
14 needs to be walled off and dispensing needs to be put
15 on salon side as well.
16 MR. LEEDER: What did you do to that effect?
17 MR. I. BACALU: We put the sink in and put
18 those dividers in, and I faxed a letter that I
19 complied, and that was that. And from what I
20 understand, after that they have to send an inspector
21 out.
22 MR. LEEDER: To reinspect.
23 MR. I. BACALU: Right, and they came out and
24 reinspected and everything was fine and business went
25 on. So it wasn't until Ms. Padilla came and raised the

1 issue. So this is the main issue.

2 Other than that, we closed it off and we made
3 a clear distinction between the two, that one is for
4 men and the other is for women. And you can see by our
5 name, it's Alexandra Hair by Noel. So when people come
6 in, and our marketing is Alexandra Salon for women,
7 cosmetology services. And Hair by Noel is the barber,
8 men salons, and you can see the clear distinction. You
9 can visually see that there's two separations.

10 I mean, have you ever walked into a salon
11 where you have a wall straight down the middle and you
12 go this way and go this way? I mean, there's a clear
13 distinction and when you go into the barber shop you
14 see big chairs for the barber shop, and you go into the
15 beauty salon side you see a different style of chairs,
16 beauty salon style. So there's a distinction between
17 the two.

18 MS. COOPER: The file actually was in the
19 inspector's room and here's the floor plan.

20 MS. PADILLA: Did it come back?

21 MR. LEEDER: No. Actually, it was in the
22 inspector's room.

23 MS. SCHULTZ: I don't see where this is in
24 violation of the regulation. Because the way the
25 regulation reads, it either is located on a floor

1 different from the floor in which the cosmetological
2 establishment is located, is otherwise located to avoid
3 creating the impression that the area was part of the
4 cosmetological establishment, or is being used for
5 activities that are not under the jurisdiction of the
6 Board of Cosmetology, but not limited to tattooing and
7 body piercing.

8 So unless you're looking at D, that would
9 putting -- if you look at D, you would put them totally
10 out.

11 MS. ZESIGER: So you have moved the waxes and
12 all of that? Is there an aesthetician room on the
13 other side where she can do the gentlemen's waxing?

14 MS. SCHULTZ: I see where you're at, you're
15 at number A. Has a different entrance from the
16 cosmetological establishment and is separated from the
17 establishment by a door that can be locked and by
18 surrounding walls.

19 MR. LEEDER: I think that's the bone of
20 contention. So on the little doorway that you have,
21 the black strip, you can't just put in a door frame and
22 door there? Because it seems like it's a walkway.

23 MR. I. BACALU: Well, it is. It's kind of
24 like a separation like when you go into the theater or
25 something. I mean, having to build a whole glass door

1 or something like that would take time.

2 MS. SCHULTZ: You can't put in a swinging
3 door?

4 MR. I. BACALU: It won't look nice, though.
5 We are in a hotel.

6 MS. SCHULTZ: But you're going to keep
7 getting citations.

8 MR. N. BACALU: I opened the salon based on
9 the regulations of the cosmetology board and barber
10 board. That's the way I built it. That was the main
11 reason I open the salon, based on your regulation,
12 barbering regulation. They cannot change every day
13 their regulation. I opened the salon based on you
14 licensing. Whatever you told me to build, that's what
15 the way I built it.

16 MS. SCHULTZ: Is that the way he opened it?

17 MR. N. BACALU: That's the copy of floor. I
18 went by the law, by the letter. I obey the law 100
19 percent. I got the salon Tropicana, but now --

20 MS. SCHULTZ: But this was before the
21 regulation?

22 MS. COOPER: No, no, no.

23 CHAIRWOMAN LEWIS: It was not.

24 MS. SCHULTZ: So was it an oversight by
25 staff?

1 MS. COOPER: It could have been an oversight
2 by staff. Currently the way we view something like
3 this is we put -- we tell them can you mark it A, with
4 a door A, and then B, and their address is 555 East
5 Sahara Street, Number B or Number A. And then that way
6 their address is that we are only taking care of what
7 is behind door number -- whatever is on the address,
8 whatever is on the licensing.

9 The way this is, because there is no locking
10 door to keep them separated, that's where we are coming
11 into the problem. Even if you put some type of a door
12 that can be --

13 MS. ZESIGER: There's an archway, right?

14 CHAIRWOMAN LEWIS: You can walk on one side
15 and know that one side is cosmetology, and you can walk
16 on the other side and know it's barbering.

17 MS. COOPER: It looks like that there is a
18 wall.

19 CHAIRWOMAN LEWIS: But no door in the front.

20 MS. COOPER: We need to get their
21 establishment license changed to either one or two, and
22 we established --

23 MR. LEEDER: Left door, right.

24 MS. COOPER: Yes, because that's how -- on
25 the establishment license, we do, like, for example --

1 MS. ZESIGER: It has a suite number.
2 CHAIRWOMAN LEWIS: So we could change their
3 establishment license to say 5220 South Las Vegas
4 Boulevard --
5 MS. SCHULTZ: Side 1.
6 CHAIRWOMAN LEWIS: Side 1 is cosmetology,
7 side 2 is whatever.
8 MS. COOPER: And they would need to label it
9 as such.
10 CHAIRWOMAN LEWIS: And they would have to put
11 up a little label that says side 1, side 2.
12 MS. COOPER: Now, the problem is the locking
13 door. The locking door can be open during business
14 hours, but it just needs to have a locking door.
15 MS. ZESIGER: Like a gate?
16 MS. COOPER: I would leave it to the
17 inspection department.
18 MS. PADILLA: They have the chain link that's
19 very decorative that's like an archway, they have
20 sliding glass doors, they have the bifold doors, and
21 usually during the operation of business they are left
22 open.
23 MR. LEEDER: So can we just give them the
24 opportunity of time to do some type of facility
25 assessment, that they can accommodate our needs but

1 still stay open, knowing that they are working towards
2 a goal of providing this locking door?
3 MS. SCHULTZ: Yes, because I really feel that
4 this was a staff problem. I think we screwed up. Our
5 staff screwed up in not letting them know exactly what
6 was needed. So I agree with you, we need to give them
7 some time to do whatever they need to do.
8 MR. I. BACALU: So having that divider is not
9 enough?
10 MR. LEEDER: Not quite. The regulations
11 obligate you to have a separate access door for the
12 barbering side, that can be locked separate from the
13 cosmetology side. So while your license may have been
14 issued to you for your establishment, perhaps it may
15 have been issued to you in error not recognizing that
16 there's not a door.
17 MR. I. BACALU: Doesn't the law also state
18 that if it gives you the impression that it's
19 separated, you don't need to have a door?
20 MS. SCHULTZ: No, because A says you have to
21 have a door. I thought it did too, but it doesn't.
22 MR. LEEDER: What we are suggesting is that
23 you be given an opportunity to assess your facility to
24 accommodate what that law is, is to provide that access
25 door.

1 MS. CURTIS: In reference to this case, I
2 spoke with the son, and I explained to him and he said
3 exactly as I did, that you need to have -- and I was
4 referring to like a chain link where you lock it, but
5 it would be the length of the six feet. That's how I
6 explained it to you, and that's how you appeared to
7 explain it to me.

8 This was something that was done -- when I
9 was an inspector I ended up speaking to him and he was
10 sending a letter showing that he was going to come
11 forward to those specifications. I was moved to the
12 front, Angela did the first inspection, she checked
13 with one of our chief inspectors that is no longer with
14 us, and it was approved after the first inspection. So
15 it kind of got lost at that point, but I only had the
16 one conversation with this gentleman. So it's not
17 something that was an oversight here.

18 MR. N. BACALU: Now, if you guys fault, now I
19 have a bigger problem. But if it's my fault, then I
20 have to pay a thousand dollars fine. That's how things
21 work.

22 MR. LEEDER: Not necessarily, sir.

23 MR. N. BACALU: No, that's my understanding.
24 Why you give me the permission to open, because I going
25 to build it the way you like it.

1 MS. SCHULTZ: We made a mistake.

2 MR. N. BACALU: But it's my mistake I have to
3 pay thousand dollar fine. Then you pay me thousand
4 dollar fine.

5 MS. SCHULTZ: We are not asking you to pay a
6 thousand dollars fine.

7 MR. I. BACALU: If you can give me a
8 legitimate answer why we have to put the door.

9 MR. LEEDER: The legitimate answer is that
10 that's what we are required to tell you.

11 MR. I. BACALU: What's the law, what's the
12 reasoning? I'm trying to understand.

13 MS. SCHULTZ: Same thing with cutting men's
14 hair.

15 MR. N. BACALU: Left side to the barber shop
16 and the right side to the beauty shop. Where is the
17 mistake?

18 Only here is the reception you can see the
19 picture, and left side to the barber shop doesn't have
20 nothing to do with beauty shop.

21 MR. LEEDER: I think that's what we are
22 discussing, sir. I think we are saying that that is
23 true. We are trying to honor the fact that you're
24 letting us know this, and now we are asking you to go
25 one step further to be very clear with the compliance

1 of the Nevada law. So you've already made a very
 2 successful argument that one side is very clear from
 3 the other side, now we are asking to you take it one
 4 more step further and be compliant with the law by
 5 installing a door. Or at least evaluating how you can
 6 do that.

7 CHAIRWOMAN LEWIS: Okay. May I have a motion
 8 please?

9 MR. N. BACALU: Now, I can put a door which
 10 going to be open and the nighttime it have to be
 11 closed?

12 MS. COOPER: That's only one option that you
 13 can consider.

14 MR. N. BACALU: So nobody can sneak in?

15 MR. LEEDER: We are just asking you to
 16 consider that.

17 MR. I. BACALU: And if the law were to be
 18 changed, we would have to go to the legislature, right?

19 MR. LEEDER: An unfortunate situation.

20 CHAIRWOMAN LEWIS: Could I have a motion,
 21 please?

22 MR. I. BACALU: This is something different,
 23 but I wanted to ask the board. I was told to ask you
 24 about it.

25 The hotel has given us permission to do

1 poolside manicures and pedicures. I needed to find out
 2 from you guys or should I find out from the cosmetology
 3 board directly if that's --

4 MS. SCHULTZ: We cannot do that, can we,
 5 Mr. Reed? We will have to check with our staff.

6 MS. PADILLA: Actually, there's a law stating
 7 that all of our licensees have to practice in a
 8 licensed establishment.

9 MS. SCHULTZ: That's not on the agenda.

10 CHAIRWOMAN LEWIS: That's not on the agenda.

11 Could I have a motion, please?

12 MS. SCHULTZ: I would like to make a motion.
 13 I don't want to totally dismiss this, but I do want to
 14 put this citation on hold for a period of six months to
 15 give him the opportunity to figure out something that
 16 he can do to comply. If he is in compliance, then I
 17 would like to make that part of my motion that it be
 18 dismissed.

19 CHAIRWOMAN LEWIS: Is there a second to the
 20 motion?

21 MR. KELLY: Second.

22 CHAIRWOMAN LEWIS: All right. It has been
 23 moved and seconded that we put this citation on hold
 24 for a six-month period of time, to give the salon an
 25 opportunity to comply with the spirit of the law. And

1 if at the end of that six months they have complied
 2 with the spirit of the law, then the citation will be
 3 dismissed.

4 Is there a question on that motion?
 5 All in favor of the motion please say aye.

6 (Ayes voiced.)

7 CHAIRWOMAN LEWIS: All opposed?

8 Okay, we are going to postpone the other
 9 things. We are going to take half an hour for lunch,
 10 so we are going to come back at 1:30 after lunch.

11 (Lunch recess 12:30 p.m.)
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1 A F T E R N O O N S E S S I O N

2 1:33 p.m.

3 CHAIRWOMAN LEWIS: We have the board present
 4 and the meeting is called back to order.

5 The next thing on the agenda is the chief
 6 inspector's report, but I think I'm going to switch
 7 this around a little bit. I'm going to have the
 8 executive director report. You can do those other
 9 reports.
 10

11 MS. COOPER: The T1 line has been installed
 12 between Las Vegas and Reno, and I got my original quote
 13 for that. They went ahead and told me everything was
 14 going to be installed and then after we got the line
 15 installed they told us that oh, where is your routers?
 16 And we said it wasn't on my quote, so we went ahead and
 17 purchased the routers. We are waiting for them and
 18 they should be delivered July 12th, according to their
 19 e-mail.

20 Accounts receivable, we sent out the
 21 collection letters to all the people's owing money, and
 22 as of 5/23 of '06 our outstanding balance was \$90,322.
 23 Since then, we have a new accounts receivable balance
 24 of 64,592.50. So if you look at the original accounts
 25 receivable was 128,347.

1 The write-offs so far have been statements
 2 that have been returned and undeliverable address or
 3 not currently at this address kind of things, so that
 4 was \$9,455.

5 Citations that were previously paid that we
 6 knew were going to be in there that they were paid but
 7 underneath another name or filed in a different place,
 8 those were \$10,255 and we received payments of \$44,045,
 9 which leaves a balance of \$64,592 outstanding citations
 10 owed to the board.

11 CHAIRWOMAN LEWIS: Great.

12 MR. LEEDER: It's my understanding even on
 13 the write-offs, if a licensee were to come back in for
 14 a license even though we are calling it a write off, we
 15 are still holding onto it, in the event --

16 MS. COOPER: That is correct. In the event
 17 that somebody comes to the surface with another
 18 citation down the road and we put it into QuickBooks,
 19 they are going to be flagged, this person is already in
 20 there and that will prompt us to investigate did they
 21 already pay this invoice, is it outstanding, did we
 22 write it off. Then we could go back and collect and
 23 then we can go back and apply the old with the new.

24 CHAIRWOMAN LEWIS: Now, are we going to do
 25 the same thing in terms of licensing these people if

1 they are not paid?

2 MS. COOPER: Yes, we can make -- basically we
 3 have a status on all licenses, and currently
 4 everybody's license is active. And if there's a
 5 citation outstanding, Debbie can go in and change it to
 6 citation, and then that would automatically prompt
 7 somebody to look into it.

8 It won't print because it's not looking for.
 9 It has to be an active only and not a citation, so that
 10 will --

11 CHAIRWOMAN LEWIS: And we are doing that?

12 MS. COOPER: We will be doing that. I have
 13 sent an e-mail to GL Suites and I have not gotten that
 14 back, but usually they are within 24 to 48 hours, but
 15 they should be doing that.

16 Update from the April 24 board meeting, since
 17 Yvonne Danielle, she was found guilty and she has not
 18 yet to pay currently. And Adore Salon, they were found
 19 guilty and they did pay their citation.

20 Training software, we purchased the Privit
 21 (phonetic) software package in-house for training.
 22 Currently we have tested ten employees and we have sent
 23 out seven of the tutorials, and I attached the training
 24 or the test with their evaluations.

25 My basis for sending the tutorials was a

1 score of 75 percent or higher. So if they received a
2 score of 75 percent or higher, I did not send out a
3 tutorial. And then eventually I did send out a
4 tutorial because they kept asking me.

5 Individual and establishment licensing,
6 NRS644.280 license signatures and seal of the board.
7 This is -- currently our license has all of the board's
8 names on it, and the law states that we only need the
9 president and the secretaries on there.

10 I'm asking what people are comfortable with
11 moving around, because I want to put a bar code on
12 these. And if I have this much room or more room
13 somewhere, meaning that if I can take off some of the
14 names, this is what I can do is have the name, the
15 signature, hard coded into the license so it wouldn't
16 be on the paper, it would be in the computer program.

17 So that way if we do have a change of
18 president, secretary, treasurer, we can change it in
19 the computer and it would be current at all times,
20 depending on the board and the minutes. So versus
21 these are hard printed, and this is on here until 2007
22 when we run out, or we get new ones.

23 MR. LEEDER: I like having all the board
24 members on the licensing. I think it's nice. I like
25 that.

1 MS. ZESIGER: It's one of the perks. Sign
2 your name.

3 MR. WALTHERS: I don't like it.

4 MS. SCHULTZ: It doesn't matter to me.

5 MR. LEEDER: I personally like it. I think
6 it elevates -- I think it makes the board -- it makes
7 the licensee responsible to a person, not just an
8 agency, or not just a board or a commission, that there
9 are people that they are responsible to. I personally
10 like it.

11 MS. ALFA: But the law says president and
12 secretary. Why did we have that in the first place?

13 MS. COOPER: I'm not really sure what the
14 history is on why all the board member names are on
15 here.

16 CHAIRWOMAN LEWIS: President and secretary
17 are the ones you have to have, doesn't say you can't
18 have all the others, so they have all the others on
19 there because you can. Why don't we work it through
20 and you come up with a design or something that would
21 include --

22 MS. COOPER: Do we want all the board members
23 or just the two?

24 MS. SCHULTZ: Try it both ways.

25 CHAIRWOMAN LEWIS: Some of the people want

1 their names on it, some of them don't.

2 MS. COOPER: Temporary committee for the 2007
3 legislature year. Do we want to nominate people, how
4 do we want to do this?

5 MS. SCHULTZ: We are in the north. I know we
6 are going to get screwed.

7 MS. COOPER: I was going to suggest that you
8 be there.

9 MR. WALTHERS: How about making Michael be
10 there?

11 MS. SCHULTZ: You know what, he can scout for
12 us. I don't mind running over there if I have to.

13 CHAIRWOMAN LEWIS: I think what we probably
14 want to do too is to have a committee that we have
15 volunteered for to look at the present legislation and
16 prepare regulation and talk about what kind of changes.

17 MS. SCHULTZ: I don't think we want to make
18 any. They don't like us up there.

19 CHAIRWOMAN LEWIS: We kind of got along with
20 them pretty good the last time. There were a couple
21 areas where we -- but one of the things that will -- we
22 need somebody to review it, because some other people
23 will come with the proposals that we need to talk
24 about, we don't like that or whatever.

25 MS. SCHULTZ: You're going to be on-line

1 checking it anyway, aren't you?

2 MS. COOPER: Yeah, I am.

3 MR. LEEDER: Do you want that temporary
4 committee to be responsible for the lobbyist also?

5 MS. COOPER: If necessary.

6 MS. SCHULTZ: Well, what happens normally is
7 if they have a law up there that somebody is trying to
8 get through that really we don't want or our industry
9 doesn't want, then we have got to hustle over there and
10 provide an argument against it. Like when they were
11 trying to take massage away from us, we had to literally
12 carry our textbooks over there showing them we do arm
13 and leg, we do facial massage, we do, you know, so...

14 MS. ZESIGER: Did it work when we had a
15 lobbyist?

16 MS. SCHULTZ: It does to a certain extent.

17 CHAIRWOMAN LEWIS: The last time we found
18 that the lobbyist was not --

19 MS. ZESIGER: Was not in our favor, was he?

20 CHAIRWOMAN LEWIS: Was not representing us as
21 well at we would like.

22 MS. SCHULTZ: They usually represent several
23 different agencies.

24 CHAIRWOMAN LEWIS: He was too busy to
25 represent us. So if we are going to consider a

1 lobbyist again, we need to look at who we select very
2 carefully. But we'll make that decision probably
3 sometime later in the year.

4 MS. COOPER: Okay. Temporary committee for
5 review enforcement of guidelines for the inspectors. I
6 feel this would benefit the staff, to see how the board
7 would like us to enforce an NAC versus an NRS.

8 Currently we are revamping everything just
9 like we are in the front part of the office. Now I'm
10 going to go into the inspection part of the office.
11 And it's -- my example is, unlawful for an animal to be
12 on the premises of a licensed cosmetological
13 establishment with the exceptions, and while I was
14 doing that kind of stuff, I ran into opposition that
15 no, it's a five-day compliance, and I said well, no,
16 it's not.

17 But how does the board want us to proceed?
18 You know, there's been talk about being a liaison
19 between the board and the individuals, that's what an
20 inspector does, versus are we a regulatory agency?

21 What I got from Idaho, when I went to my
22 Idaho trip, is that we are a regulatory agency. They
23 comply down the line.

24 So are we taking the regulatory agency
25 approach or are we taking the softer liaison approach?

1 How does the board want it to be? How do you want us
2 to represent you?

3 MS. SCHULTZ: You know, like I tell my
4 students, the law is the law. If you break the law,
5 you're going to pay the fine. The law is the law. The
6 regulations are like driving down the highway with your
7 taillight broken out, they're going to give you a
8 fix-it ticket giving you so many days to fix it. But
9 if you're speeding, you're going to get a ticket. So
10 with the regulation, you get a fix-it ticket.

11 A dog on the premises is the law, you get a
12 citation.

13 MR. WALTHERS: Don't take five days to get it
14 fixed.

15 MS. SCHULTZ: No, you get a citation right
16 then, don't you think?

17 CHAIRWOMAN LEWIS: The temporary committee
18 that you're asking for is to review all of these.

19 MS. COOPER: Not so much all of them, just as
20 far as the sticking points that we are having.

21 MS. ZESIGER: Like a dog on the property or
22 something; is that one of the problems?

23 MS. COOPER: That was one of the sticking
24 points.

25 MS. ZESIGER: They are not allowed to be

1 there, so that would be a ticket. You're guilty of a
2 crime.

3 MS. COOPER: So my thing is do we want to go
4 with it's an NRS, it's a citation? If it's an NAC,
5 it's a five-day warning.

6 CHAIRWOMAN LEWIS: I don't think that we can
7 go -- we can't set a hard and fast rule like that. I
8 think that has to be the determination of -- that has
9 to be a determination of the executive director.

10 MR. LEEDER: Also I think the inspector. The
11 inspector can tell when somebody is exercising a
12 willingness to bring themselves up into compliance, or
13 they can tell when they are being poo-pooed.

14 CHAIRWOMAN LEWIS: I think the final decision
15 of what that has to be has to rest in the hands of the
16 executive director, the person who is in charge of the
17 office.

18 MS. SCHULTZ: Like this gentleman that came
19 before us with the citation, you know, we weren't
20 actually going against Susan, because like we knew
21 exactly where she was coming, but we did ask him to
22 comply in a certain period of time. So we are not here
23 to embarrass the staff in any way. Because if they see
24 it this way and we decide something different, it
25 doesn't mean anything against them.

1 MS. COOPER: Okay.

2 CHAIRWOMAN LEWIS: Yes.

3 MS. CURTIS: And again, this is the first
4 I've heard there was any situations going on with the
5 inspection kind of stuff. In the past, you've
6 allowed -- you've had faith in your inspectors as a
7 judgment call. A lot of the stuff you see when you're
8 out there in the field, there are things that you see
9 and you know, but you have to see the stuff in order to
10 write it. That's the way the law is.

11 MS. SCHULTZ: But you need an oversight,
12 Annie, because you see things different from Susan and
13 Susan see things different from Angela. It's all going
14 to be different.

15 MS. CURTIS: And I understand that. That's
16 why I don't understand why there would be a fast rule.
17 The bottom line is the board. If the person knows they
18 have the option to bring anything before you, so that I
19 think should suffice.

20 CHAIRWOMAN LEWIS: And before the board, the
21 executive director has the last say on what happens in
22 terms of how we deal with things in the office.

23 MS. SCHULTZ: Whether it come before the
24 board.

25 MS. COOPER: Okay. Clarification of eyelash

1 extensions. This was one of the things brought to me
2 by a board member that wanted it on our agenda. Does
3 this fall under the scope of practice of cosmetology?

4 MS. SCHULTZ: Yes.

5 MS. ALFA: Hair.

6 MR. LEEDER: It's synthetic.

7 MS. ALFA: We always did lash extension,
8 whether it's individual strip or whatever, so shouldn't
9 be any question about it right now.

10 MR. LEEDER: It's hair glued to hair.

11 MS. ZESIGER: Is this the one that's the
12 tying in?

13 MS. ALFA: It's like extensions.

14 MR. WALTHERS: They also need to pay
15 attention to what kind of glue it is, because 90
16 percent of the glue that they are gluing with comes
17 from Korea, and that's the same thing that they glue
18 our pavement with and our shoes with.

19 MR. LEEDER: Well, they do call it a
20 specialized polymer.

21 MR. WALTHERS: Um-hum.

22 MR. LEEDER: Yes, a bonding, specialized
23 bonding polymer.

24 CHAIRWOMAN LEWIS: Crazy Glue.

25 MR. WALTHERS: I would rather use Crazy Glue

1 than shoe glue.

2 MS. SCHULTZ: I think this has to depend on
3 if it's a cosmetic thing. If they are demonstrating
4 for the purpose of the sale or if they are --

5 MS. ALFA: It's not a product, it's a
6 service.

7 MS. SCHULTZ: It's a service.

8 MR. LEEDER: I read my instructions and
9 there's two things that are alarming to me. Number 1,
10 in the promotion for the Permanent Choices, they say
11 lash extensions are to be applied by professionals. At
12 home use is not recommended.

13 Then they go on to say because the bonding is
14 to each individual lash and not to the skin, extensions
15 will last significantly longer. So that tells me if
16 you make a mistake the damage is significantly more.

17 The other one says, on the Extreme Lashes, it
18 says there's training and certification, there's a
19 workshop offered. Most visitors are to seek
20 professional application. Training and certification
21 in order to continue to repurchase. Proper training --
22 again, proper training, ongoing testing program.

23 Then finally they go on to say that there's
24 no FDA regulating eyelash extensions because they are
25 being applied to natural eyelash hairs.

1 MS. SCHULTZ: Yeah, but under what we can and
 2 can't do -- here we are go, under aesthetician and
 3 cosmetologists, goes through everything that we do,
 4 hair cutting, removing of superfluous hair and all that
 5 stuff, then at the very bottom, giving facials or skin
 6 care, or applying cosmetics or eyelashes to any person.
 7 That's in our law. That's what cosmetologists and
 8 aestheticians do. So they are breaking the law.

9 MR. LEEDER: I do think they need to be a
 10 licensed professional to be applying eyelash
 11 extensions.

12 MR. WALTHERS: And certification is not a
 13 license.

14 MS. COOPER: Okay. So
 15 cosmetologist/aesthetician only, not a manicurist.

16 MS. ZESIGER: Um-hum.

17 MR. WALTHERS: Put a bleep in the newspaper.
 18 Do a press release to get them out of those malls, you
 19 know.

20 MS. COOPER: The video scan project, all the
 21 individuals have been scanned and they have been put
 22 into the GL Suites.

23 CHAIRWOMAN LEWIS: Are we using that
 24 information from the computer?

25 MS. COOPER: Yes, we are. I talked to Nadine

1 about that, especially because she does the
 2 certifications out to other states, and she says oh, my
 3 gosh, it's so much easier. So yes, it's working well
 4 for her.

5 IRS issue, we talked to them on Thursday --
 6 Wednesday of last week, and it's still going to be
 7 another four weeks.

8 CHAIRWOMAN LEWIS: They had our money now for
 9 a year.

10 MR. WALTHERS: How much do they have?

11 CHAIRWOMAN LEWIS: I mean, they had it before
 12 that. They had this money for a long time.

13 MS. BLASKO: They had, but no one tried to
 14 straighten this out.

15 CHAIRWOMAN LEWIS: Are they going to give us
 16 any interest?

17 MS. BLASKO: They are supposed to.

18 MS. COOPER: They're going to give us
 19 interest?

20 MS. BLASKO: They are supposed to.

21 MS. COOPER: Last, but not least, with this
 22 one, connecting point -- everybody should have this.

23 CHAIRWOMAN LEWIS: Right. I don't think
 24 you've got enough in there.

25 MS. COOPER: You don't think we have enough?

1 CHAIRWOMAN LEWIS: No. You only have four
2 machines. And what do you do if one machine breaks
3 down and you're going to have one machine in Reno and
4 three down here?

5 MS. COOPER: We get a replacement.

6 CHAIRWOMAN LEWIS: I think you should have
7 six machines.

8 MS. COOPER: Okay.

9 CHAIRWOMAN LEWIS: Six of everything. That
10 gives you a spare in Reno and a spare in Las Vegas.

11 MR. LEEDER: Well, now, see I was thinking
12 just a little different. I wasn't quite sure why every
13 machine has to have an airline adapter.

14 MS. COOPER: That is actually the card
15 adapter as well, so each -- all the equipment is
16 equipped to run in their vehicle.

17 MR. LEEDER: On number 6, that's an unlimited
18 data plane?

19 MS. COOPER: Yes.

20 MR. LEEDER: When I read the mobile printer,
21 is that going to last -- I mean, the volume that you
22 need to do, are mobile printers your best purchase
23 power?

24 MS. COOPER: The problem is that they are
25 going to be at the sites, and they need to carry these

1 from valet to the salon, and back and forth and back
2 and forth. When they are at a strip mall, they are
3 going to be going from salon to salon to salon, and not
4 so much back to car. So if we get something bigger,
5 they are going to have to be carrying those. And this
6 is -- it will hold 50 pages, it will do a page, 12
7 pages per minute, whatever the criteria. 16 pages per
8 minute.

9 CHAIRWOMAN LEWIS: Right. I have one of
10 these things, you couldn't get eight pages out of it.

11 MS. COOPER: Ink jet is your only way to go.
12 You can't go laser jet because it's just not feasible
13 to carry, and the ink jets are going to be -- it
14 varies. It really does.

15 I think HP, they are work horses, they last
16 for a very long time, they are really good. The
17 warranty plan that we are going to get with it is
18 decent. The company is willing to actually put in a
19 replacement if necessary, so that we don't have to have
20 one on the side. The other thing too is that you can
21 buy them at Office Depot as well.

22 CHAIRWOMAN LEWIS: You know, I'm not sure
23 about paying \$295 for these mobile printers. Printers
24 you can probably find one for a heck of a lot of less
25 than that, but I would negotiate with Connecting Point

1 about that price because they are little things and
2 they don't last.

3 Printers are so cheap these days, it's not
4 even worth getting them fixed, but 295 is a little
5 much. But I think we should have a replacement for
6 each area, because you don't want a person to not be
7 able to go out to work if a piece of their equipment is
8 not working. That's my opinion.

9 MR. LEEDER: Justified.

10 CHAIRWOMAN LEWIS: So if you have a
11 replacement product in-house and then if the equipment
12 is not working, they are not down, you can just use the
13 replacement and send the other out for repair.

14 MS. SCHULTZ: Unless the staff has one on
15 hand in case -- like in Reno, Mike goes out, we get a
16 call of an unlicensed person, Jill can go out.

17 MR. LEEDER: And then the airline adapter
18 also had an ultra-slim version. Is that what you're
19 trying to shoot for?

20 There was either the regular or the ultra
21 slim, so I wanted to double-check if you were -- it's
22 on -- it's either the auto power adapter or the ultra
23 slim.

24 MS. COOPER: It's the auto, not the ultra.
25 So I can resubmit this back to them for six units.

1 MR. LEEDER: And a written warranty on the
2 printers.

3 CHAIRWOMAN LEWIS: And they should give you a
4 better price.

5 MS. ALFA: Are we budgeted for this?

6 CHAIRWOMAN LEWIS: Yes. That's in the
7 hundred thousand dollars that we haven't approved yet.

8 MS. COOPER: Okay, so that's in there. Is it
9 in this year's budget? I've spent all of this year's
10 budget. We are almost at the end of the year. Then
11 just -- I put down a recap of my goals, what I've
12 completed, what's still outstanding and my deadline
13 dates.

14 The employee manual is another one that we
15 can go over here.

16 We have a presentation from PCS to outsource
17 the testing through -- for testing administration, the
18 proposal, and we have our PCS representative here.

19 MS. SCHULTZ: When you did the comparison on
20 this, Lisa, did you have the numbers that we are
21 comparing right now?

22 MS. COOPER: Yes.

23 MS. SCHULTZ: You used our numbers, because
24 aren't they charging us per student, per applicant?

25 MS. COOPER: What they would do is charge us

1 per student, per applicant, but if we go into this --
 2 it's \$65 per practical, \$45 per written, which would be
 3 the \$110. If they need to take a retake fee if they
 4 don't pass their written, they would only be charged
 5 \$45 versus the full \$110 again.
 6 CHAIRWOMAN LEWIS: What's the 95 and the 50
 7 then?
 8 MS. COOPER: We were looking at B, option B.
 9 CHAIRWOMAN LEWIS: Option 1B?
 10 MS. COOPER: 1B -- or 2B, either way.
 11 CHAIRWOMAN LEWIS: Let me ask you a question.
 12 Here we don't have a per test cost, so the only way I
 13 can compare this to this is to get a per test cost. We
 14 need to know how many people we are testing.
 15 MS. SCHULTZ: We are still using NIC testing.
 16 CHAIRWOMAN LEWIS: I need to know how many
 17 people for this cycle. I need to get a per test cost.
 18 Do you see what I'm saying?
 19 MS. COOPER: Yes. The NIC from 7/1/05 to
 20 4/30/06 would be what the cost is, and I do not have
 21 the number readily available.
 22 MS. SCHULTZ: We have the numbers for April.
 23 MR. LEEDER: Isn't it a hundred dollars?
 24 MS. COOPER: No, it's not. They don't charge
 25 us the same amount.

1 MR. LEEDER: Can we contract separately with
 2 Federal Express, because if we are required to send the
 3 tests by Federal Express every time, maybe we can get
 4 like a bulk rate or something, because \$4,300 is a lot
 5 of money in postage.
 6 MS. COOPER: Do you want to come back to it?
 7 CHAIRWOMAN LEWIS: We can listen to your
 8 proposal.
 9 MS. TILLEY: I just wanted to know whatever
 10 questions you have. We were going to follow any
 11 procedures that you are currently doing. We can take
 12 on full licensure applications or we can do the
 13 scheduling, either way, and that's why there are two
 14 different proposals in here.
 15 But it would be the NIC exam, we would
 16 continue using that. We would continue using your
 17 sites, if that's what you prefer, or we can have our
 18 own sites, whichever. Continue using the examiners
 19 that are being used in the Reno. We can train and do
 20 the NIC examiner training as well.
 21 MR. LEEDER: It's my understanding that
 22 you're the preferred company for NIC.
 23 MS. TILLEY: We are currently administering
 24 five of their states right now.
 25 MR. WALTHERS: NIC does not have a preferred.

1 There's only two people that can administer their
2 examination.

3 MR. LEEDER: But there was a reason why
4 PCS -- isn't there a reason. Seems like I read
5 something that said why we like this proposal.

6 MS. SCHULTZ: Well, we certainly don't want
7 Experior again.

8 MS. COOPER: Well, at the last board meeting
9 that's what was brought to the table was PCS.

10 MR. LEEDER: Because we had already tried the
11 other one.

12 MS. COOPER: Well, Experior wouldn't be able
13 to administer an NIC exam.

14 MR. WALTHERS: There's another provider, but
15 the other provider has just taken on two large states
16 and is not interested in Nevada at this time because
17 she's taken on too much work.

18 MR. LEEDER: Wasn't it also that PCS -- I
19 hate to use the word preferred -- but wasn't it also
20 that because you're handling states that are roughly
21 equivalent to the size of Nevada?

22 MS. COOPER: Actually, Nevada is the smallest
23 state they would be handling.

24 MR. WALTHERS: Right. They handle much
25 larger, they have Pennsylvania, Missouri, Virginia

1 which is large.

2 MR. LEEDER: And it's because you're doing
3 those well that we've made the assumption that you
4 would do Nevada well. Okay, that's what I wanted to
5 know.

6 CHAIRWOMAN LEWIS: We collect now, what from
7 the students?

8 MS. COOPER: We collect \$110 to test.

9 MS. ZESIGER: What we are doing now, we are
10 doing our own testing and everything? What is it they
11 charge. Does it equal out to about 110?

12 MS. COOPER: Actually, when you break it down
13 it's more than that, because we are already in a
14 deficit as of April 30th and we still have May and June
15 to add to this.

16 MS. ZESIGER: Okay. Down at bottom total?

17 MS. COOPER: Yeah.

18 MS. SCHULTZ: I really think this is going to
19 take a big hassle off of the office. I really do.

20 MS. COOPER: I agree.

21 MS. SCHULTZ: You know, it takes a lot of
22 liability away from us as well.

23 MR. WALTHERS: I can tell you from my
24 experience with the other states that it's been a great
25 thing for the other states, because just for the

1 reasons Lavonne stated. And for the office management
2 and office staff, it gets them pulled away from us, and
3 it's good for us because then as board members we are
4 not involved or know anything that's going on with the
5 examination, unless it's brought before us, and that's
6 the way it should be.

7 MS. SCHULTZ: And if there's a failure we
8 don't have to hear about it. They hear about it.

9 MS. TILLEY: You're not judge and jury
10 anymore.

11 MS. ZESIGER: My only concern is the last
12 time we did something like this it was a mess.

13 MR. WALTHERS: And, remember, it was another
14 company.

15 MS. SCHULTZ: And I think it was the way
16 Experior ran their business, because they would lock
17 their doors and they wouldn't have enough examiners.
18 So if they didn't have enough examiners, they would
19 lock the doors and our kids would be out waiting to
20 test.

21 MS. TILLEY: We never turn a candidate away.

22 MR. LEEDER: That is scheduled to test.

23 MS. TILLEY: That is correct.

24 MS. ZESIGER: Do you schedule right away?

25 Let's say they get out of school in May,

1 what's your turnaround?

2 MS. TILLEY: If they are eligible, and the
3 board has to determine their eligibility, once we get
4 that we can schedule it the next month. We have a
5 15-day deadline.

6 MS. SCHULTZ: How many times a month do you
7 test?

8 MS. TILLEY: We actually did the proposal
9 here to do it different times in different states. I
10 think four times here, twice in Reno was the proposal
11 for the practical.

12 MS. SCHULTZ: Four times a year is what we do
13 now.

14 MS. TILLEY: And we weren't going to change
15 that.

16 MS. SCHULTZ: For the facility in Reno?

17 MS. COOPER: The same.

18 MR. LEEDER: But we were also looking for
19 space where we were going to consider the testing site
20 in our rental space.

21 MS. COOPER: The problem is the testing room
22 is pretty small, so they are more than welcome to look
23 at it and say yes, we can do it, or no, we can't do it,
24 but you can do eight at a time.

25 MR. LEEDER: But realistically our rental

1 space would be smaller, so we would see on this, total
 2 expenses, we would see salary savings. We would also
 3 see a rental savings for the testing space. Then it
 4 would seem like we are also going to save the
 5 aggravation of having to test.

6 What is the postage for the ten that's
 7 different from the FedEx?

8 MS. COOPER: This is for sending out all of
 9 the students' scheduling letters, their notice letters.

10 MR. LEEDER: That would all comes from PCS
 11 now?

12 MS. TILLEY: Um-hum.

13 MS. SCHULTZ: When we get those breakdowns of
 14 students who passed and failed, they don't need to be
 15 certified do they? I have to sign for it every time.

16 MS. COOPER: Oh, the end of month breakdown.

17 MS. SCHULTZ: End of month breakdown. The
 18 students don't open my mail anyway.

19 MR. WALTHERS: I think one of the reasons
 20 that comes like that, Bonnie, is for the simple fact
 21 that if there was ever a screw-up on a mailing list,
 22 that it could go to another school.

23 MR. LEEDER: So if our office is determining
 24 eligibility, have you done a staff assessment to make
 25 sure that your existing staff can handle the demands of

1 eligibility assessment and then subsequent follow-up in
 2 a timely fashion with your testing?

3 MS. COOPER: Yes.

4 MR. LEEDER: So you know that that can happen
 5 in-house?

6 MS. COOPER: Yes, we do.

7 CHAIRWOMAN LEWIS: So the process is they
 8 would just give the test based on the people we
 9 submitted to them. That's what we were doing before.

10 MS. TILLEY: We just acquired two of those
 11 states, Pennsylvania being one and Virginia being one,
 12 with a lot of aggravation.

13 MS. SCHULTZ: We had it too.

14 CHAIRWOMAN LEWIS: That not going to happen?

15 MS. TILLEY: No, that hasn't happened.

16 MS. ZESIGER: Do you have to contact them or
 17 does the office contact you?

18 MS. TILLEY: We discussed it a couple
 19 different ways. A letter can be sent to them, they can
 20 contact us by phone and schedule, whatever is fine.

21 MS. COOPER: They have an 800 numbers that's
 22 24 hours accessible.

23 MS. ZESIGER: That was a problem before is
 24 they didn't do it, then they would complain about it.

25 MS. TILLEY: Yes.

1 MR. WALTHERS: I can tell you, her company
2 has taken over for -- when Missouri was with a
3 different company too, and NIC has had no problem with
4 their administration.

5 MS. TILLEY: When we took over Pennsylvania,
6 they were six months behind. We are still catching up.
7 We are testing 200 cosmetologists in Philadelphia as
8 well.

9 MS. ZESIGER: We have had a lot of static
10 from the schools before.

11 CHAIRWOMAN LEWIS: Do we need a motion on
12 this?

13 MR. REED: Are you contemplating entering
14 into a contract with PCS to do the testing?

15 CHAIRWOMAN LEWIS: Yes.

16 MR. REED: I don't know if you can do that
17 under the agenda. It's just listed as a presentation
18 by PCS. There's also the question of bidding and
19 scheduling.

20 MS. SCHULTZ: There's nobody else to bid.

21 MR. REED: RFPs. If they are the only entity
22 that can enter into this contract, then you can do a
23 sole source form, fill that out.

24 MS. SCHULTZ: Can Lisa do that from the
25 office?

1 MS. COOPER: Yeah. Yeah.

2 MR. LEEDER: So Lisa have you checked
3 references?

4 MS. COOPER: Yes.

5 MR. LEEDER: Did you say Pennsylvania is the
6 one?

7 MS. TILLEY: Yes.

8 MR. LEEDER: So Pennsylvania would be the one
9 to really get a hardcore reference.

10 MS. COOPER: They are very pleased with the
11 results.

12 MR. LEEDER: And the way they were getting
13 caught up.

14 Have they mentioned any negatives?

15 MS. COOPER: No, they have not. They are all
16 very, very happy with them, with their services they
17 provide.

18 MS. ALFA: So if we go with them, are we
19 looking on releasing someone from the office because
20 they are taking away from someone's job, right, in the
21 office essentially?

22 MR. LEEDER: There's still the matter of
23 eligibility. So that's part of her assessment, is the
24 office staff still has to manage eligibility
25 requirements. So I think the assessment there would

1 happen over time, is my understanding.

2 MS. COOPER: It would be over time. It's not
3 something that will happen tomorrow.

4 MS. SCHULTZ: What's the length of the
5 contract?

6 MS. COOPER: The length of the contract is a
7 four-year contract that they wanted to put in place
8 with our NIC, so it would actually be a little less
9 than four.

10 MS. SCHULTZ: So they would link up with NIC.

11 MR. LEEDER: So they are willing to make
12 those changes in a standard contract to stay compliant
13 with us?

14 MS. SCHULTZ: So we just have to figure out
15 which option we want?

16 MS. COOPER: Yeah. What I had originally
17 discussed with Andrea, who was unable to attend because
18 she is in Puerto Rica, working in Puerto Rica, is
19 option 1B or option 2B.

20 MS. ZESIGER: They are the same amount of
21 money.

22 MS. COOPER: It would be the same amount of
23 money.

24 MS. ALFA: Is there a probation period?
25 Maybe -- four years is a long time. How do we know

1 we're going to be okay?

2 MS. COOPER: We can enter it with them and I
3 can talk to Andrea about modifying that.

4 MS. TILLEY: You have the right to cancel at
5 all times.

6 MS. ALFA: That's important, because with the
7 other company we had problems.

8 MS. COOPER: Right.

9 MS. TILLEY: If we are not in compliance with
10 the contract, you can stop us at any time.

11 MS. SCHULTZ: I like option 1B.

12 MS. ZESIGER: Have you seen our sites?

13 MS. TILLEY: I have not been to the Reno.

14 MS. ZESIGER: Would this work for you?

15 MS. TILLEY: Um-hum.

16 MR. LEEDER: How is it that 1B, that our
17 office is determining eligibility?

18 CHAIRWOMAN LEWIS: Our office is not.

19 MS. SCHULTZ: Because they have to pass a
20 written before they can take a practical.

21 MR. LEEDER: I think 1B says that PCS
22 determines eligibility.

23 CHAIRWOMAN LEWIS: Yes. 1B says PCS would
24 determine eligibility.

25 MS. SCHULTZ: I'm sorry, 2B is the one I

1 want.

2 MR. LEEDER: But for five dollars they handle
3 everything.

4 MS. ZESIGER: But do we want to take the
5 licensing and everything out of our office?

6 CHAIRWOMAN LEWIS: They are not doing
7 licensing, just doing eligibility.

8 MR. LEEDER: How do we know that PCS is not
9 going to determine someone's eligibility in error?

10 MS. TILLEY: Part of their application, if
11 they supply every bit of documentation that they are
12 supposed to have, we evaluate the documentation just
13 like the staff would here.

14 MS. SCHULTZ: I prefer our staff to do that
15 for now.

16 MS. TILLEY: And that's fine. That's
17 understandable, build a trust.

18 MS. SCHULTZ: Well, they know what we need;
19 don't you think?

20 MS. COOPER: Um-hum, yes, we do.

21 MR. LEEDER: Then we still have to test --

22 CHAIRWOMAN LEWIS: It appears that we cannot
23 approve this at this time anyway, so I think that what
24 we need to do is to move forward and give it to staff
25 for staff to further review, and to ascertain what

1 process is necessary so that we can vote on this for
2 approval at the next board meeting, with notice on the
3 agenda that it's going to be voted on so that we can do
4 that.

5 MS. SCHULTZ: You can get it approved through
6 Carson.

7 CHAIRWOMAN LEWIS: If this is the only person
8 who wants to bid on it, then we should be able to sole
9 source it with some determination as to the amount.

10 MR. LEEDER: Did we determine the number of
11 tests?

12 MS. COOPER: 3,892.

13 MR. LEEDER: And that's across the board,
14 manicurists, cosmetology.

15 MS. COOPER: Thank you.

16 MS. TILLEY: Thank you very much.

17 CHAIRWOMAN LEWIS: Thank you very much. We
18 really appreciate your coming today.

19 MS. COOPER: Review of new employee policy,
20 the tuition reimbursement.

21 Are we moving on?

22 CHAIRWOMAN LEWIS: Yeah, we are moving on.

23 MS. COOPER: Tuition reimbursement policy.

24 CHAIRWOMAN LEWIS: Some people wanted some
25 clarification on this policy.

1 MR. LEEDER: I just wanted to see item number
2 6, also say in addition to UNR it should be UNLV.

3 MS. COOPER: Well, there's actually a full
4 list that I have that I will change it that has UNLV
5 and some of the community colleges down here.

6 MR. LEEDER: Okay.

7 MS. COOPER: Southern Nevada. Okay.

8 CHAIRWOMAN LEWIS: So we probably want to say
9 employees with ten schools on the list.

10 Can we approve this policy, attorney general,
11 or do we have to have this specifically stated that we
12 are going to be approving it?

13 MR. REED: Do you mean the employee manual?

14 CHAIRWOMAN LEWIS: No, I mean this is a
15 change to the employee manual. Tuition reimbursement
16 policy.

17 MR. LEEDER: It says review new policies.

18 CHAIRWOMAN LEWIS: Right, it says review. It
19 doesn't say approve.

20 MS. COOPER: So I'll go ahead and review them
21 and make those changes.

22 CHAIRWOMAN LEWIS: We will approve these at
23 the next board meeting. Please put these on including
24 a review and approval of the revised employee manual at
25 the next board meeting. Doesn't have to be -- I mean,

1 we will review it and approve it if changes are
2 required. Will that work?

3 MR. REED: Yes. We have got to have a
4 meeting anyway to approve the regulations, so you might
5 as well.

6 CHAIRWOMAN LEWIS: Can we put that on that
7 meeting, approve the regulations in a week? Okay.

8 MR. LEEDER: Then, Madam Chairman, I wanted
9 to double check that -- the employee submits the
10 application, and I just what want to double-check that
11 they do still get notice to the IRS that they got that
12 benefit, right?

13 CHAIRWOMAN LEWIS: They should. So
14 subsequently I think there needs to be something in
15 place that says that our office did notify the IRS of
16 that benefit.

17 MS. BLASKO: I would have to look into that.

18 MR. LEEDER: If they are going to take the
19 write-off of an employee -- nonreimbursed employee
20 expense or they are going to take the write-off of a
21 reimbursed employee expense, so they are going to do
22 one of either way, and in either event it's a
23 reimbursed expense.

24 CHAIRWOMAN LEWIS: But it is not a taxable
25 one. I think we need to look at the IRS regulations.

1 There are specific regulations that concern tuition
 2 reimbursement, and we need to look to see whether or
 3 not that has to be reported to the IRS and how it is
 4 reported. Because there are specific IRS rules
 5 concerning tuition reimbursement as a benefit and we
 6 need to -- it does get reported somewhere on the W-2
 7 form, but it is not, as I understand, a taxable
 8 benefit, and we need to go through that.

9 MR. LEEDER: Correct, and then also the
 10 calendar year that it's taking place. So in other
 11 words, the physical date of the reimbursement is the
 12 affected year for the employee. Does that make --
 13 yeah, even though our fiscal year is different.

14 CHAIRWOMAN LEWIS: Ask our payroll people,
 15 they should know what the requirements are for that.
 16 We need to -- nepotism policy, the nepotism thing,
 17 that's part of employee manual.

18 MS. COOPER: Yeah, we have a nepotism policy,
 19 but we don't have a statement in our handbook that goes
 20 out with it, so to correlate it back there's nothing to
 21 tie it back to.

22 MS. SCHULTZ: Just as a comment on the
 23 employee manual, in the very beginning of this manual I
 24 would like it stated that we are not a state agency,
 25 that we are a quasi-state agency. Because looking at

1 this manual, everybody gets the impression I'm a state
 2 employee, and it shouldn't be. Right at the get-go it
 3 should make that statement.

4 CHAIRWOMAN LEWIS: We need to review the
 5 chief inspector's report and a testing report.

6 I'm sorry, you just wanted to look at it?

7 MS. SCHULTZ: Just look at it.

8 MS. ZESIGER: Looks good to me.

9 CHAIRWOMAN LEWIS: That's fine. Testing
 10 report, have you all had a chance to review that?
 11 Review and approval of the revised cosmetic
 12 demonstrator test.

13 MS. SCHULTZ: Approval? I would like to make
 14 a comment on that. The only thing I see missing from
 15 this is an attachment of a blood spill procedure.

16 CHAIRWOMAN LEWIS: The cosmetic demonstrated
 17 test? So we need to add that to the test, blood
 18 spills?

19 MS. SCHULTZ: This page here where you
 20 explain everything, we can attach the blood spill to
 21 that with their application.

22 CHAIRWOMAN LEWIS: It does say approval, so
 23 could we have a motion to approve this with the
 24 addition of?

25 MS. SCHULTZ: I'll make the motion.

1 MR. WALTHERS: I'll second it.

2 CHAIRWOMAN LEWIS: Okay, it has been moved
3 and seconded that we approve the demonstrator test with
4 the addition of a blood spill procedure. Is there a
5 question on the motion?

6 MS. ALFA: It wasn't on your agenda. Where
7 is it on the agenda?

8 CHAIRWOMAN LEWIS: Review and approval of the
9 revised cosmetic demonstrator test.

10 MS. ALFA: Under testing report?

11 CHAIRWOMAN LEWIS: Yes. So is there a
12 questions on the motion?

13 All in favor please say aye.

14 (Ayes voiced.)

15 CHAIRWOMAN LEWIS: Opposed? None. Motion carries.

16 MR. LEEDER: May I ask now, though, if this
17 is a nationally certified test?

18 MS. COOPER: No.

19 MR. LEEDER: So is that kind of a bad thing
20 now that some of our licensees have national
21 certification, but some of our other licensees are not
22 going to have national certification?

23 MS. SCHULTZ: They're not licensees. These
24 are department store demonstrators.

25 MR. LEEDER: So they don't receive something

1 from us?

2 MS. COOPER: Yes, they do. They have a
3 license that says cosmetic demonstrator.

4 MR. LEEDER: Right. So if they go to another
5 state that accepts reciprocity, they are not going to
6 get it.

7 MS. COOPER: No, they are not going to get it
8 because they have to get a certification letter from
9 our state to their state, and they never took the
10 national exam.

11 MR. LEEDER: So that's not going to present a
12 problem for staff at all?

13 MS. COOPER: No.

14 MR. LEEDER: So there's no reciprocity with
15 this type of licensing?

16 MS. COOPER: If depends on if the other state
17 has a cosmetic demonstrator license.

18 MR. WALTHERS: Which I think there's like
19 three.

20 CHAIRWOMAN LEWIS: Can we bring up the budget
21 now? Go back to the budget. We have a revised budget.
22 We have another one. Put that in the trash.

23 MS. SCHULTZ: Did she fix those two things?

24 CHAIRWOMAN LEWIS: Yes, this is the one
25 that's coming back to us. Did we get all the changes

1 made?

2 All right then, may we have a motion to
3 approve the budget as revised?

4 If there are -- do we have any questions or
5 concerns?

6 MR. LEEDER: I still did want to ask if we
7 can combine that office expense with that operating
8 supplies. I mean, you have a note to operating
9 supplies that says office supplies. So if that 8 can
10 be combined with that 18 --

11 MS. BLASKO: Sure. That's nine.

12 CHAIRWOMAN LEWIS: So they will combine the 8
13 with the 18, and then at some point some of us will
14 probably want to see actually a detailed report with
15 all the expenses and these things broken out.

16 Any further comments or questions? Any
17 further concerns?

18 May I have a motion to approve the proposed
19 budget?

20 MS. SCHULTZ: I make a motion to approve the
21 proposed budget.

22 MR. WALTHERS: I second it.

23 MR. LEEDER: It has been moved and seconded
24 by Mr. Walthers to approve the budget. All in favor,
25 please say aye.

1 (Ayes voiced.)

2 CHAIRWOMAN LEWIS: Opposed? Okay.

3 May I have a motion to enter into closed
4 session?

5 MS. SCHULTZ: Five-minute break first?

6 CHAIRWOMAN LEWIS: Before we go into closed
7 session, we have a request from -- then we will do it.
8 We have a request from the Urban League, which is a new
9 organization to Las Vegas, but it's an over a hundred
10 year-old organization in the country, to support them
11 in their efforts to provide employment opportunities
12 and training for Las Vegas residents, including
13 Las Vegas minority residents -- Clark County, not just
14 Las Vegas. And as a fundraising effort they are
15 hosting an event. They are having a whole weekend, as
16 a matter of fact.

17 They are opening up a new building which has
18 been funded by the county, and the groundbreaking will
19 be on the weekend and they will have a report on the
20 state of minority, state of Latin America, and they are
21 having a gala and they are requesting the -- a lot of
22 organizations, including the Nevada State Board of
23 Cosmetology to buy two tables for their event. And
24 staff would go to support their goals and objectives.

25 MS. SCHULTZ: Can we do that?

1 CHAIRWOMAN LEWIS: We've checked with the
2 attorney general's office and they said we can.

3 MR. REED: Let me clarify that. I did speak
4 with Lisa about this maybe a month or two ago, and I
5 think that under your NRS644.170, it does restrict what
6 the board can do with its money.

7 It states that receipts must be used -- must
8 be for the use of the board, and out of that must be
9 paid all salaries and all other expenses necessary to
10 carry the provisions of this chapter.

11 My thought was that if something is related
12 to the board or to the practice of cosmetology, that
13 you could spend money on it, like if it were for
14 educational purposes. There are people who are getting
15 education for -- that's related to cosmetology, but I
16 think just a general charitable contribution, I don't
17 really see where you have authority to do that.

18 Unless you can relate -- unless this is
19 somehow related to cosmetology and the education of the
20 board members or education of people in cosmetology or
21 something like that, then I would not advise spending
22 money on it. I mean, it's a very worthy cause. I
23 think, you know, it should be supported by the general
24 public.

25 CHAIRWOMAN LEWIS: It says the receipts must

1 be for the uses of the board and out of them must be
2 paid all salaries and all expenses necessarily incurred
3 in carrying into effect the provisions of this chapter.

4 MR. WALTHERS: I think there's a possibility
5 we could open up a can of worms, because next month you
6 have a the NAHA (phonetic) awards here in Las Vegas and
7 that's a 10,000 table, and that's strictly for
8 cosmetologists.

9 MS. SCHULTZ: I think we could probably
10 contribute to it individually, but not as a board with
11 board money. I wouldn't recommend using board money
12 for it.

13 MS. ALFA: Who wanted to go anyway? I didn't
14 want to go.

15 MR. KELLY: I do.

16 MR. LEEDER: I actually thought it sounded
17 very nice.

18 MS. SCHULTZ: It is very nice, and I wouldn't
19 mind paying the salaries of people who want to go if
20 it's for their education.

21 MS. ALFA: They can use their own money if
22 they want to go.

23 CHAIRWOMAN LEWIS: I thought we got a
24 different ruling earlier, but I'm not quite sure.

25 Apparently, there is no -- the county is

1 buying a table.

2 MR. LEEDER: Do we know the mission of the
3 Urban League? Is the Urban League trying to encourage
4 minorities to enroll in schools of cosmetology? Are
5 they encouraging minority applicants?

6 MS. COOPER: They do.

7 MR. LEEDER: Is there anything in specific
8 that we can see tangible in writing that they are in
9 fact trying to support this mission of advancement of
10 public safety through cosmetology?

11 Do you see where I'm trying to go with this?

12 The concern from the AG's office is that this
13 have some direct relevance to cosmetology, and if the
14 Urban League is trying to empower minority applicants
15 into cosmetology schools, well, I think that that --

16 MR. KELLY: Well, they are a fundraising
17 organization that raises funds. There are some
18 cosmetology courses in public schools, so the money
19 that they raise they distribute it to different needy
20 groups. I can't say specifically how much, but it is a
21 fundraiser for education and cosmetology would fall
22 under that.

23 CHAIRWOMAN LEWIS: And they also provide job
24 training and job readiness through the work force
25 investment board in Las Vegas, which is a job training

1 agency which helps students prepare to be successful in
2 cosmetology schools. And some of the people that have
3 gone through their training program, they end up going
4 into expertise which is located right in the same area
5 during beauty school. So they do a preparatory course
6 for those people who then need to try to be successful
7 going on into other training fields including
8 cosmetology and other kinds of apprenticeship programs.

9 MR. LEEDER: Does that get us any closer to
10 the comfort level of the AG's office?

11 MS. SCHULTZ: Still too many variables.

12 MR. REED: You're getting pretty far afield.
13 It's not that closely interrelated, to me it doesn't
14 appear, to cosmetology. I wish I had a different
15 answer for you, but I don't.

16 MR. LEEDER: No, it's quite all right. I
17 think we tried.

18 MS. SCHULTZ: I think it's a wonderful field,
19 but --

20 MR. KELLY: Okay.

21 CHAIRWOMAN LEWIS: Okay.

22 MR. LEEDER: Then we should send our regrets.

23 MR. KELLY: Maybe we could submit a letter
24 that maybe they could inform us next time just how they
25 contribute.

1 MS. SCHULTZ: That would work.
 2 MS. ZESIGER: That would be a good idea.
 3 Tell us how they contribute to cosmetology or
 4 aesthetician.
 5 MR. LEEDER: This was their first attempt, so
 6 I suspect they will attempt to do a second, and perhaps
 7 they can ask us again if they can follow up.
 8 MS. ZESIGER: That would be a good thing.
 9 Then we will know if we are spending the money right.
 10 CHAIRWOMAN LEWIS: We will take a five-minute
 11 break.
 12 (Whereupon, a recess was taken.)
 13 CHAIRWOMAN LEWIS: We will call the meeting
 14 back to order.
 15 We need a motion to go into a closed
 16 personnel session for discussion where we will discuss
 17 each employees performance evaluation with that
 18 employee being in the room and then -- one at a time --
 19 and then we will go forward to open session for any
 20 salary discussions. Okay?
 21 Will that work?
 22 MS. ALFA: Do you want the students to stay
 23 here?
 24 CHAIRWOMAN LEWIS: No, the students have to
 25 go.

1 MS. ALFA: Do they have to come back?
 2 CHAIRWOMAN LEWIS: They don't have to come
 3 back. They will be given credit for the whole day
 4 unless they choose to come back. Unless they choose to
 5 come back.
 6 Sign out, please. Make sure you sign out.
 7 So may I have a motion to go into closed
 8 personnel session?
 9 A motion was made by Linda Zesiger, seconded
 10 by Mireille Alfa to go into closed session for
 11 performance review. We will ask each employee to come
 12 in as their performances are being reviewed. All in
 13 favor of the motion, please say aye.
 14 (Ayes voiced.)
 15 CHAIRWOMAN LEWIS: Opposed?
 16 All right, motion carried.

WENT INTO CLOSED SESSION

WENT INTO OPEN SESSION

7 CHAIRWOMAN LEWIS: It's been moved and
8 seconded that we go back into open session.
9 We need to have a motion to approve the
10 salary increases for our employees.
11 MR. REED: Excuse me. Although this is
12 probably a formality at this hour, we need to see if
13 there's any people waiting to come in to the open
14 session.
15 CHAIRWOMAN LEWIS: All right. We are
16 inviting everybody in and there's nobody here.
17 MS. SCHULTZ: All right. I'm just going to
18 read the salaries that we have agreed on, not the steps
19 and all that stuff, okay?
20 CHAIRWOMAN LEWIS: It would be good to read
21 the steps.
22 MS. SCHULTZ: I would like to make a motion
23 at this time, Anniya Powell is taken to step 4. 33,
24 step 4.
25 CHAIRWOMAN LEWIS: 20.

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1 MS. SCHULTZ: 23, step 4, salary at
2 \$28,459.44.
3 Esmeralda Reyes is 23, step 2. Her salary
4 will be taken to \$27,394.56.
5 Mike Siva is 29, step 2, salary at
6 \$34,806.46.
7 Jill Hutchison is 23, step 3, salary at
8 \$28,459.44.
9 Annie Curtis, chief inspector, to step 6,
10 increase to \$51,093.36.
11 Gloria Alexander, recommended raise to 34,
12 step 1, at \$41,154.48.
13 Pamela Fitzgerald will be what level?
14 CHAIRWOMAN LEWIS: 29, step 2, I believe.
15 Maybe it's 29, step 1.
16 MS. ALFA: Yeah, 29, step 1.
17 MS. SCHULTZ: Pamela Fitzgerald will be at
18 \$33,449.76.
19 Susan Padilla 32, step 3, at \$41,454.48.
20 Angela Browne 29, step 4, at \$37,813.68.
21 Debra Blasko 34, step 4, at \$46,833.84.
22 Amy Tanner, she is a level --
23 MS. ALFA: She is grade 23, step 1.
24 MS. SCHULTZ: Grade 23, step 1 and she will
25 be at \$26,308.80.

1 Nadine Griego 25, step 7 will be at
 2 \$36,310.32.
 3 And we didn't do Lisa.
 4 CHAIRWOMAN LEWIS: I have Lisa here, though.
 5 MS. SCHULTZ: That's my motion for now.
 6 CHAIRWOMAN LEWIS: Okay, we can work on that
 7 motion.
 8 Okay. You've heard the motion, is there a
 9 second to the motion?
 10 MS. ZESIGER: I'll second.
 11 CHAIRWOMAN LEWIS: It's been moved and
 12 seconded that the salary increases be as we stated in
 13 the motion with any corrections that we may have to go
 14 back and look at. Is there a question on the motion?
 15 All in favor, please say aye.
 16 (Ayes voiced.)
 17 CHAIRWOMAN LEWIS: Opposed?
 18 MR. WALTHERS: Aye.
 19 CHAIRWOMAN LEWIS: You're opposed?
 20 MR. WALTHERS: Yeah.
 21 CHAIRWOMAN LEWIS: Lisa is present.
 22 MS. SCHULTZ: Do you want to do that in front
 23 of open?
 24 CHAIRWOMAN LEWIS: Salary is open.
 25 MS. SCHULTZ: Go ahead and set a salary for

1 her?
 2 CHAIRWOMAN LEWIS: We gave Lisa I think a pay
 3 raise at the last meeting, and I just suggest that she
 4 move with the cost of living increase to the proper
 5 place on that range which would make her pay
 6 \$58,401.36.
 7 MR. LEEDER: That's a step 2.
 8 CHAIRWOMAN LEWIS: Salary range 41, step 2.
 9 Would somebody make a motion to that effect? Would you
 10 agree?
 11 MS. SCHULTZ: I'll make a motion to that
 12 effect.
 13 MR. KELLY: I second.
 14 CHAIRWOMAN LEWIS: It's been moved and
 15 seconded that Lisa be moved to 41, step 2, which is a
 16 salary of \$58,401.36. Is there a question on the
 17 motion?
 18 All in favor of the motion please say aye.
 19 (Ayes voiced.)
 20 CHAIRWOMAN LEWIS: Opposed?
 21 MR. WALTHERS: Aye.
 22 CHAIRWOMAN LEWIS: Any further business to
 23 come before this board today?
 24 All right. Would you please, if no further
 25 business comes before --

1 MR. REED: You need to call for public
2 comment.

3 CHAIRWOMAN LEWIS: Any public comment? May I
4 have public comment? Any new business?

5 MS. SCHULTZ: Motion to adjourn.

6 CHAIRWOMAN LEWIS: Motion to adjourn.

7 (Whereupon, the proceeding
8 concluded at 6:55 p.m.)
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1 CERTIFICATE OF REPORTER

2 STATE OF NEVADA)

) ss.

3 COUNTY OF CLARK)

4 I, June W. Seid, Certified Court Reporter, do
5 hereby certify:

6 That I reported in stenographic notes the
7 proceedings had in the above-entitled matter at the
8 place and date indicated.

9 That I thereafter transcribed my said
10 stenographic notes into typewriting, and that the
11 typewritten transcript is a complete, true and accurate
12 transcription of my said stenographic notes.

13 IN WITNESS WHEREOF, I have set my hand in my
14 office in the County of Clark, State of Nevada, this
15 20th day of July, 2006.
16
17
18

19 _____
20 June W. Seid, CCR 485
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